MISSION ZERO

Annual Report 2008

WCB SASKATCHEWAN WORKERS' COMPENSATION BOARD

MISSION
ZERO
NAUGHT
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NOWT

WORKING TOGETHER FOR

MISSION ZERO

Can we reach zero injuries? Absolutely. In fact, over 28,000 Saskatchewan workplaces did it in 2008.

VISION STATEMENT

In serving injured workers and employers, we excel in the development and delivery of workers' compensation programs and services. In serving all workers and employers, we develop and deliver injury prevention programs and services that move Saskatchewan quickly to zero workplace injuries.

MISSION STATEMENT

In support of our vision, our mission is to:

1. Provide the right service, at the right time, and be cost effective in our processes.

2. Build positive relationships with workers, employers, and others affected by the workers' compensation system.

3. Build positive relationships and implement programs that move Saskatchewan to zero workplace injuries.

4. Communicate clearly our distinct identity, benefits, and beliefs.

5. Ensure the organizational and financial integrity of the Workers' Compensation Board.

6. Be accountable for our results.

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YEAR AT A GLANCE

	2008	2007	2006	2005	2004
Number of workers covered[1]	**362,667**	354,918	338,898	327,064	325,565
Lost time claim rate (per 100 workers)[2]	**3.70**	3.80	4.05	4.25	4.40
Number of claims reported	**43,303**	41,301	40,922	39,904	37,715
Number of lost time claims accepted[2]	**13,429**	13,483	13,732	13,904	14,329
Average duration in days[3]	**33.11**	32.08	33.49	34.16	35.35
Permanent Functional Impairment awards	**511**	575	509	460	431
Fatal claims accepted[2]	**22**	21	22	20	26
Number of appeals filed					
Appeals Department	**1,064**	1,021	1,008	1,149	1,077
Board Level	**219**	208	233	308	284
Return to work percentages					
Secondary treatment centres	**88%**	88%	92%	87%	85%
Tertiary treatment centres	**81%**	82%	87%	81%	82%
Claims costs ($ millions)	**205.8**	202.0	241.1	205.9	210.9
Active employer accounts[4]	**35,946**	34,364	33,438	32,851	32,125
Premium revenue ($ millions)	**239.0**	236.0	221.2	212.0	221.0
Average premium rate[5]					
(per $100 of insurable earnings)	**1.69**	1.84	1.84	1.97	2.05
Investment revenue ($ millions)	**22.0**	149.2	87.5	54.8	41.8
Benefits liabilities ($ millions)	**969.5**	955.3	933.2	871.3	836.5
Funded position ($ millions)					
Injury Fund	**109.0**	99.0	(4.6)	(21.0)	(38.0)
Reserves	**58.2**	57.3	31.0	28.5	28.5
AOCI[6]	**(146.5)**	91.3	185.3	127.8	62.2

1 Full-time equivalent workers based on Statistics Canada average wage and WCB payroll information as of December 31st
2 Based on new claims reported to, and accepted by, the WCB in the year
3 Average days on compensation based on all Time Loss claims paid within a 12-month period
4 Includes active employers as of December 31st
5 All years are Board-approved rates
6 Accumulated Other Comprehensive Income is defined in the Management Discussion & Analysis

LETTERS OF TRANSMITTAL

The Honourable Dr. Gordon K. Barnhart
Lieutenant Governor Province of Saskatchewan

May it please Your Honour:
I respectfully submit the Annual Report of the Workers' Compensation Board for the Calendar Year 2008.

The Honourable
Rob Norris
Minister Responsible
for the Workers'
Compensation Board

The Lieutenant Governor in Council:

We are pleased to submit the seventy-ninth Annual Report of the Workers' Compensation Board for the year ending December 31, 2008.

Respectfully submitted.

David R. Eberle
Chairman

Walter Eberle
Board Member

Karen Smith
Board Member

MESSAGE FROM THE BOARD

Our 2008 report captures a time of unprecedented growth and optimism in Saskatchewan and a time of unprecedented concern for the state of the world's and Canada's economy.

The WCB was not immune to the challenges presented by either extreme. Yet we are pleased to report that your WCB is financially stable and continues in its commitment to provide Saskatchewan employers and workers with an efficient and effective compensation system.

We are disappointed, however, to report that Saskatchewan also continues to have the second highest rate of workplace injury in the country. Over 43,000 people reported a workplace injury in 2008 – one every 12 minutes of every workday. The human, social and economic costs speak out for the concerted efforts of each of us to turn the statistics around.

Eliminating work injury will not occur simply because we wish it to be so. The journey to zero will take common effort from all of our stakeholders. Knowing that injury prevention is the single most powerful impact we can have on the health of workers and the financial health of your WCB, in 2008 we invested significant resources on this mission. Looking ahead, a new agreement with the Ministry of Advanced Education, Employment and Labour, will focus joint resources and increased energy on the ***WorkSafe Saskatchewan*** partnership.

Being a member of your Board carries with it duties and responsibilities that we approach fully aware of the trust you place in us. We meet your high standards by exercising due diligence in our actions and decisions. In this way, you can remain confident that your compensation system will be available when it is needed.

To that end, we hold the WCB's management team to performance reporting that compares our results to the best results realized by compensation boards from across Canada. Then, we test and verify results by seeking the advice and critique of able and experienced external advisors.

Due diligence goes beyond the oversight of today's environment. Your Board also sets the strategic direction and imperatives of your WCB, and establishes policies that serve Saskatchewan's employers and workers now and into the future.

Acting as your Board, we are obligated to create an open, transparent and accountable environment at the WCB. Again this year, we ensured you received full and frequent reporting from your compensation system, whether it was on our financial, service or program performance. And when you felt it was needed, we made certain that there was a process to have our decisions reviewed that was timely, fair and unbiased.

To all of our stakeholders who have contributed to the WCB's accomplishments in 2008 - employers, workers, the medical community, and the valued employees of the WCB – we say a personal and heartfelt thank you. Working together is paying real and lasting dividends for everyone.

David R. Eberle
Chairman

Karen Smith
Board Member

Walter Eberle
Board Member

THE WCB BOARD: STRUCTURE, MANDATE, AND ROLE

The Saskatchewan Workers' Compensation Board (WCB) is an independent tribunal that administers *The Workers' Compensation Act, 1979* (the Act). The WCB operates in a manner similar to an insurance company, protecting registered employers from lawsuits when a workplace injury occurs, and providing guaranteed benefits and programs to injured workers in industries covered by the Act. Its costs are funded entirely by Saskatchewan employers in covered industries, through premiums that are based on their industry's injury frequency and costs. Any worker in an industry covered by the Act is eligible for benefits and programs in the event of a work injury or work illness. Any employer in an industry covered by the Act must register with the WCB and pay invoiced premiums.

Nearly 36,000 firms with more than 360,000 workers registered with the WCB in 2008. In recent years, the WCB annually receives and accepts between 35,000 and 43,000 injury claims. About one-third of accepted claims will be for Time Loss injuries, meaning that the injury required the worker to be absent from work beyond the day of injury. Just over $205 million was spent on worker benefits and programs in 2008.

Board Structure

The WCB is governed by a three-person Board – a Chairman and two Board Members – appointed by the provincial government in consultation with business and labour organizations.

Working together, the Board determines the WCB's broad strategic imperatives and ensures the appropriate oversight of WCB operations and financial and operational performance.

Board Mandate and Responsibilities

Governing the WCB requires the Board to:

1. Provide stewardship and direction to the WCB through long-range objectives and policies.
2. Recommend legislative change to the provincial government.
3. Safeguard the WCB's resources and assets.
4. Monitor the WCB's performance.
5. Report to stakeholders.
6. Hear and decide final appeals on employer classifications or compensation and benefit decisions.

Saskatchewan is the only Canadian workers' compensation system with a full-time Board. The Chairman and Board Members fulfill their responsibilities through Committees of the Board, regular and formal meetings of the Board and between the Board and the WCB's Chief Executive Officer (CEO), and by requiring and receiving regular formal reports that monitor the WCB's financial and operational performance. They also review and decide on more than 200 final level appeals each year, and approve new or amended policies throughout the year.

Governing the WCB, and providing the required level of oversight, requires that the Board acquire and maintain skills and knowledge appropriate to their tasks. Board Members:

- Attend industry congresses and symposiums organized by the Association of Workers' Compensation Boards of Canada.
- Attend courses and events from the Canadian Council of Administrative Tribunals that focus on topics like best practices for administrative tribunals.
- Attend training offered through the Foundation of Administrative Justice on best and leading practices, and topics like interpreting legislation, decision writing, and effective hearings.

- Participate in The Directors' Series offered by Deloitte which focuses on market reforms, financial reporting requirements, and governance challenges.
- Attend educational conferences organized by the International Association of Industrial Accident Boards and Commissions.
- Earn designation as Certified Directors through the Directors' College, a joint venture of McMaster University and The Conference Board of Canada.

A Governance Framework That Defines Accountability

The Board recognizes the importance of a clearly defined governance framework to support their accountabilities as stewards of the workers' compensation system. The Board's first governance policy was approved in 2000. The policy is reviewed periodically by the Board. A formal review was completed in late-2007 by Deloitte & Touche, favourably comparing the policy with best and leading practices exhibited by other organizations or recommended by professional associations.

Elements within the Board's governance structure that define and chart how accountabilities will be met include:

1. WCB Investment Committee

Fundamental to Saskatchewan's workers' compensation system is the guarantee to workers that benefits and programs will be available if and when they are needed. To back up that guarantee, the WCB is required to be fully-funded; that is, to have the financial resources available to pay the cost of benefits and programs for all injury claims in the compensation system for the life of the claims. Termed the WCB's benefits liability, the amount needed at the end of 2008 to meet future costs was $970 million. Investment assets, the financial resources that back up the guarantee to workers, were valued at nearly $1,063 million at the end of 2008.

The WCB Investment Committee, comprised of the three Board Members, with the WCB's CEO and Vice-President of Prevention, Finance and IT serving in ex officio roles, oversees the WCB's financial policies and investments. The Investment Committee is prudent in its policies, goals and objectives to ensure the stability of the WCB. The Committee recommends to the Board the approval of the WCB's Investment Policy Guidelines and the appointment of the investment managers, and monitors the performance of the investment managers against the benchmarks established in the Investment Policy and Guidelines.

In discharging its responsibilities, the Investment Committee meets quarterly to review investment performance and annually to review the Investment Policy, engages a financial consultant to monitor and advise on the performance of investment managers, and participates in ongoing training in investing and investment management.

2. WCB Audit Committee

The Board, with the WCB's CEO serving in an ex officio capacity, serves as the WCB Audit Committee. The role of the Committee is oversight.

The Committee:

- Annually reviews the Committee mandate and conducts ongoing training in financial literacy.
- Monitors the auditing, accounting and financial reporting processes.
- Reviews the annual audited financial statements and related disclosures, including the Management Discussion and Analysis.
- Ensures compliance with legal and regulatory requirements, also ensures and periodically reviews internal controls on finance, accounting and legal compliance.

- Reviews and monitors the independent auditors appointed by the Board.
- Ensures the independence and performance of the Internal Audit department and external auditors.
- Ensures communication among WCB Board Members, WCB management, the Internal Audit department, and external auditors.
- Meets privately with WCB executive management, the Internal Audit department, the Provincial Auditor, the external auditor and the external actuary.

Through the Committee, the Board also ensures that management practices and programs are in place to identify, monitor and manage risks to the operation of the WCB.

The Committee's role does not relieve WCB management of its responsibilities for preparing financial statements that accurately and fairly present the WCB's financial results and condition or the responsibilities of the independent accountants relating to the audit or review of financial statements.

3. Setting Strategy, Monitoring Performance
The WCB's Strategic Plan and broad organizational goals and objectives are set out by the Board. This includes an annual review of the WCB's vision, mission, principles and beliefs, values and strategy statements.

Annually the CEO must submit an operating plan for Board approval. Regular management reports are supplied to the Board Members.

The annual Strategic and Operational Plan is published and forms part of required reporting at the WCB's Annual General Meeting. The Saskatchewan WCB was the first Canadian compensation board to hold annual stakeholder meetings as part of its governance and accountability framework.

4. Budget and Employer Rate Approvals
The CEO prepares an annual budget for Board approval. Monthly reports are provided to the Board, with variance explanations when financial targets are not met.

Employer premium rates are set through a rigourous process that includes the advice and oversight of an external actuary. Once the proposed rates have been presented to stakeholder groups, and those groups have had an opportunity to address concerns to the Board, the rates are approved by the Board.

5. Code of Conduct
Effective governance recognizes that boards of directors have a responsibility to influence the culture of the organizations they govern. The WCB's Board adopted a Code of Conduct in 2000 that serves as a guideline when conducting the business of the WCB.

The Code of Conduct established a set of principles, foremost among them being an obligation of accountability to "... workers, employers, the general public and government. This obligation includes the competent, conscientious and effective accomplishment of the duties of the Board."

Other principles include a focus on strategic direction, decisions that serve the best interests of all stakeholders, monitoring and reporting on the WCB's performance, and ensuring the capability of governance through the continuing development and education of Board Members.

At the direction of the Board, WCB management developed a corporate code of ethics that reflects the Board's own Code of Conduct, and that is intended to guide employees in their decisions and actions. Management monitors and reports on employee compliance with the corporate code.

Setting High Standards; Expecting Results

As stewards of the workers' compensation system, the Board expects management to meet high performance standards and holds the organization to a reporting standard that ensures transparency for stakeholders.

Financial performance is monitored through the Board's committee structure, regular management reporting against budget and other financial targets, and ensuring compliance with financial reporting and accounting standards. Reporting on financial performance is part of regular stakeholder events like the WCB's Annual General Meeting and annual rate setting meetings, and through the WCB's annual reports.

Program and management performance is measured through a corporate Balanced Scorecard that tracks the WCB's achievement of the Strategic Plan set by the Board. The WCB has been publishing its Balanced Scorecard as part of its annual reports since 1999. Metrics include worker and employer service satisfaction measures, time to first payment after an injury, time to process appeals, stability of employer premium rates, fully funded status, the injury rate, and program metrics like cost per Time Loss claim, and the percentage of injured workers who return to work.

Another initiative implemented by the Board ensures that the WCB's policies and procedures are reviewed regularly and amended when required. The initiative requires that each policy and its operating procedure are reviewed by management at least once every three years.

The Board and the WCB's executive management recognize that compliance with legislation and policies, and effective and efficient operations, require continual monitoring of operations and, in particular, key work processes. In addition to the controls referenced earlier, this is achieved through:

- Quality control processes that start with front-line teams administering claims and include file reviews by Team Leaders for completeness and accuracy. The WCB's Team Support department provides another element of quality control through random file reviews of short term and long-term injury claims, payments and vocational rehabilitation files.
- An Internal Audit department that provides independent, objective assurance and consulting to the Audit Committee of the Board and to management, and that evaluates processes for risk management, internal control and governance.
- An appeals process that provides injured workers and employers with an objective review of WCB decisions and actions. Appeals can be heard and considered by the Appeals department and by Board Members.
- A Fair Practices Office that receives concerns related to the fairness of WCB actions and decisions, and where appropriate, forwards to WCB managers recommendations to resolve concerns.

Please visit the WCB's website at **www.wcbsask.com** for more information on Board governance, the WCB's operations and performance, and to view the WCB's 2008 Stakeholder Report and the first annual report of the WCB's Fair Practices Office.

MESSAGE FROM THE EXECUTIVE

At WCB, we came off our best financial performance ever in 2007 amid the most optimism we in Saskatchewan have ever witnessed; an optimism that fueled an 8 per cent increase in reported payrolls in 2008.

Twelve months ago, no one could have predicted the changes that 2008 would bring to the world economy. Or that the same investment portfolio that fueled our organization's record financial performance in 2007 would provide the biggest hit to our financial results in 2008.

While world markets have commanded our attention and resulted in negative investment returns, we are confident that our organization will weather this downturn. We are fully funded and will continue to be. We again ranked among the top 15 employers in Saskatchewan. We lowered the 2009 average premium rate by 1.8 per cent - the fourth such reduction in the past five years. Administration and claims costs are well in hand. Claims durations are stable, as well; our return-to-work programs continue to deliver the desired results. Based on published national comparators, we have the lowest administration costs per Time Loss claim, the lowest composite duration, and the third highest market rate of return of all provinces in Canada. We continue to be an efficient, effective, conservatively managed organization.

Of continuing concern to your management team is the persistent number of workplace injuries in our province. While the rate of Time Loss injuries declined overall in 2008, we saw an increase in the actual number of claims submitted to the WCB. We know that dedicated efforts in injury prevention remain the greatest opportunity to permanently and positively impact Saskatchewan employers, workers, and their communities. This is a message we will continue to deliver to business and labour leaders across our province.

We appreciate the leadership of our Board Members as champions of injury prevention. ***WorkSafe Saskatchewan's*** new Mission Zero initiative is now backed by a renewed Memorandum Of Understanding with the Ministry of Advanced Education, Employment and Labour – it is a fierce agreement that matches the fierce resolve behind Mission Zero. Working with our partners at the Ministry, we are developing a single integrated injury prevention strategy and a ***WorkSafe Saskatchewan*** strategic and operational plan.

To our stakeholders, partners, full-time Board, and our dedicated employees, we say a sincere thank you and ask for your continued commitment and support of Mission Zero as we strive to eliminate workplace injuries in Saskatchewan.

Graham Topp
Vice-President
Operations

Peter Federko
Chief Executive
Officer

Donna Kane
Vice-President
Human
Resources and
Team Support

Gail Kruger
Vice-President
Prevention
Finance and
Information
Technology

PROFILE

NORTH RIDGE DEVELOPMENT CORPORATION

We measure our success by the new respect our workers have for safety.

North Ridge Development Corporation is a large home builder with an even larger challenge - changing a culture. In an industry full of contract workers, enforcing safety procedures can be difficult. But North Ridge is making progress.

As the largest residential home builder in Saskatchewan, North Ridge employs both permanent and contract workers. One of its greatest challenges in providing a safe workplace has been changing the mindset of their workforce. "Many workers, especially experienced workers who have been around a long time, think they can't get hurt on the job," says Errol Fisher, VP of Construction.

But injuries do occur all too often. "It's an ongoing area of concern. But we have zero tolerance for unsafe work practices," says Doug Durrant, Senior VP, Operations. "If suppliers don't want to work safely, we won't work with them...it's that simple."

North Ridge also contends with a lack of standards elsewhere in the industry. "Our workers can look across the street and see someone from another company working on a roof with no protective gear," says Fisher. "We need to remind our staff that such behaviour is not acceptable here."

North Ridge is serious about safety. It is the first large home builder to actively pursue the Certificate of Recognition. COR status is awarded by the Saskatchewan Construction Safety Association and recognizes companies that achieve a high standard in formalized health and safety programs. "It's a certification we will be very proud of," says HR Manager, Pearl McNevin. "It's just one more indicator of our serious commitment to safety and our responsible and professional approach to home building."

Site supervisors continually watch for safety issues at each location and report any concerns or issues at weekly "tool box" meetings with Fisher and the team. "One of the challenges we have is that our work sites are so spread out. Our supervisors continually make the rounds to make sure everyone is following safety protocols," says Fisher.

As the provincial economy continues to grow, North Ridge is also faced with finding new employees. "Many new workers can have little to no experience, so we have to make sure everyone is properly trained," says McNevin. The company uses a buddy system for this, pairing up new workers with those more experienced. "Training is absolutely vital. We won't let our workers onto a site until they've been thoroughly trained about safety," says McNevin.

All the hard work is starting to pay off. "We measure our success by the new respect our workers have for safety," says Durrant. "Whether it's a tradesman on the roof, or someone pushing a broom, everyone is thinking about working safely."

PROFILE

MOSAIC

Employees working safely in safe workplaces is a right and a responsibility for everyone.

At Mosaic, having a safe workplace is everyone's responsibility. While management is charged with recruiting skilled employees and providing appropriate training, employees carry the responsibility of working safely both on and off the job.

Mosaic is one of the world's leading producers of concentrated phosphate and potash crop nutrients. Four of the company's production plants are located in Saskatchewan. Over the past few years, Mosaic has seen a steady decline in their number of Time Loss claims. According to Lorne Cooper, Assistant Vice-President of Environment, Health and Safety, the decline in injury rates is directly attributable to the overall company view on safety. "We believe that any injury is unacceptable. Employees working safely in safe workplaces is a right and a responsibility for everyone at Mosaic."

In an industry such as theirs, Mosaic employees must always be vigilant about safety on the job. As Cooper states, "What we have underground is a highly managed risk, and we've been able to manage it to become one of the safest industries in the province." Such statistics are the product of strict safety guidelines that are enforced on an ongoing basis. Employees who disregard safety protocols are given a warning. Repeat offenders are not as lucky. As veteran employee Jeff Rattee explains, safety is not optional. "Workers who continually commit safety infractions are held accountable in a variety of ways, including being terminated."

Rattee has worked as a second-class power engineer and millwright with Mosaic for over 16 years. He believes that ongoing and spontaneous audits keep everyone working safely. "We're all responsible to perform safety audits; it's a great way to ensure every area of the company is working as safely as possible." The completion of such audits even factors into the bonus program Mosaic offers its employees. As Rattee states, "It's just another way Mosaic demonstrates their commitment to employee safety."

That commitment is also evident through Mosaic's membership in Safe Saskatchewan. The not-for-profit organization promotes safe living practices in an effort to help reduce the number of unintentional injuries occurring in Saskatchewan. As a founding member of the organization, Mosaic has wholly embraced the concept of safe lifestyles for all of its employees and their families. As Rattee says, "We all need to remember that injuries can happen anywhere and at any time."

Mosaic promotes off-the-job safety in a variety of ways, including sponsoring 'Lids for Kids,' a program that provides bicycle helmets for children. Mosaic also provides safety kits and various protective equipment for employees to take home and share with their families. Employees are encouraged to bring safety concerns from home and discuss them at work safety meetings. As Cooper explains, "It's all in an effort to encourage safe living for our staff – whether they're on the job or at home, personal safety must be top-of-mind."

PROFILE

PROVIDENCE PLACE

We're successfully changing the safety culture in health care.

At Providence Place, a major shift is occurring. Management and staff are joining forces to change a culture that has unfortunately seen a troubling number of workplace injuries.

Providence Place Retirement Community is a long-term care facility located in Moose Jaw. In 2001, management noticed an alarming increase in workplace injuries. And while long-term care facilities traditionally have a higher rate of injury than other health care facilities, Providence Place was hoping to change that.

"The traditional mindset in health care is to get your job done at any cost. Unfortunately that cost is often personal safety," says Graham Bachiu, Director of Environmental Services with Providence Place. "We noticed workplace injuries were on the rise, and we needed to change that...we needed to do a better job protecting our workers."

The first step was uncovering the root of the problem. "Staff were rushing to do their jobs and often dealing with aggressive and unpredictable patients," says Faith Case, Director of Care. "It was a recipe for critical error." So in 2006, after new CEO Rick Schindel arrived, workplace safety became a top priority.

An incident review committee was created to ensure that analysis was being performed on each workplace incident. Safety was added to every meeting agenda and made a top priority for new employees during orientation. Major investments were made in new equipment and training programs. Providence Place added a new fleet of patient lifts and minimal lift beds and revisited their overall approach to safety in the workplace. Things as simple as replacing mop-wringers helped reduce worker strain and injury.

Safe Start, a new training program, was implemented. "The goal of the training is to help staff recognize when they're working in a critical state, before any injury occurs," says Bachiu. The training helps alert staff to such indicators as rushing, complacency and fatigue. One of the best results of the program is that staff is not only looking out for themselves, but also for their co-workers. "It can be an eye-opener," says Clara Chaisson, an occupational health nurse for the region. "Sometimes you get so wrapped-up with what you're doing that you forget the safety basics."

Employees at Providence Place have embraced the new culture. "It only takes one injury to end your entire career," says Chaisson, "for most of us that would be devastating." Armed with superior equipment and new training, employees are looking at their jobs a bit more carefully. "We still have hard work to do and we're still dealing with unpredictable patients at times, but *how* we work is different," says Chaisson. "Whether it's asking for an extra set of hands, or just slowing down a bit, we're always thinking about safety."

PROFILE

PRAIRIE MINES & ROYALTY LTD.

When safety is the common goal, everyone wins.

Prairie Mines has a very impressive safety record. Five years with zero Time Loss claims. The company proudly cites open communication and common goals between employees and management as their key to safety success.

Owned by Sherritt International Corporation, Prairie Mines and Royalty Limited operates eight mines in western Canada including three coal mines in Saskatchewan: Coronach, Bienfait and Estevan.

In 2003, Prairie Mines filed 32 Time Loss claims. Just one year later, after implementing a new safety program, not a single Time Loss claim was made. "We gave the new safety plan three to five years to start producing results," says Randy Seeman, Prairie Mines employee and executive member of the safety program. But open and honest communication between union employees and management helped create a plan that was immediately successful. "It was just a matter of getting everyone working toward one common goal," notes Seeman.

When it came to wanting safety in the workplace, finding common ground was never much of a challenge. "At the end of the day, there's nothing more important than the safety of our workers," says Kevin Mueller, Vice-President of Mining Operations. "Nobody wants to be injured on the job, and we certainly don't want to see anyone go home hurt."

For the employees, safety comes with a certain sense of accountability. "When every day without an injury sets a new record, nobody wants to be the first one to get hurt," says Seeman. "It's about safety, yes, but it's also about pride and accountability. We look out for one another on an ongoing basis; nobody wants to see their buddy get hurt on the job."

So how does five years without a single Time Loss claim happen? In an industry known for being dangerous, such safety records don't happen by chance. Prairie Mines improved their safety protocols, including a new hazard assessment process that requires employees to perform detailed checks of equipment before every use. According to Sherry Quirk, Manager of Human Resources and Safety, such protocols have paid off. "Our employees are catching things they never would have without the new checks in place."

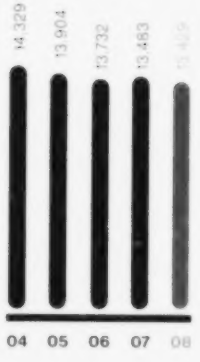
Along with the introduction of new safety protocols, the Prairie Mines Occupational Health and Safety Committee ensures that all employees are well educated on the risks involved with coal mining. With an aging workforce and new hires arriving regularly, keeping everyone educated on risks and risk mitigation is an on-going process. "Education is key - our employees are changing, our equipment is evolving and our natural working environment is unpredictable. It's crucial that everyone is informed about the risks," says Mueller.

According to Loretta Miller, Director of Human Resources and Safety, Prairie Mines is happily adjusting to its new culture. "It's an ongoing process and we have to work at it every day. But when safety is the common goal, everyone wins."

STATISTICAL SUMMARY

Claims Reported[1]

Claims Accepted[2]



Time Loss Claims[3]

1 Reported Claims. New claims reported to the WCB in the current year, both accepted and unaccepted. Additional claims reported information can be found on the WCB's website, www.wcbsask.com.

2 Claims Accepted includes Time Loss, No Time Loss and current year fatality claims.

3 Based on new claims reported to, and accepted by, the WCB in the year. Excludes claims not covered under the Act, not work related, still pending, and/or duplicated within the system.

2008 Top Five Industry Codes with Injuries*

Industry code		Number of Claims Reported
G2	Health Authorities, Hospitals, Care Homes	5,438
B1	Construction Trades, Residential, Commercial and Industrial Construction	3,811
C3	Grocery, Department Stores, Hardware and Wholesale Chain Stores	2,941
S2	Community and Social Services; Restaurants, Catering, Dry Cleaning; Hotels, Motels, Taxis	2,751
M9	Agricultural Equipment, Machine Shops, Manufacturing, Iron and Steel Fabrication	2,322

* All claims reported and accepted in 2008.

2008 Top Five Occupations with Injuries*

Occupation	Number of Claims Reported
Nurse aides, orderlies and patient service associates	1,872
Welders and related machine operators	1,501
Truck drivers	1,410
Other labourers in processing, manufacturing and utilities	1,132
Retail salespersons and sales clerks	1,108

* All claims reported and accepted in 2008.

No Time Loss Claims[3]

Fatalities

■ In Year[3] ■ Prior to Year[3]

Unaccepted Claims[5] (%)

4 Based on claims reported prior to the year, but accepted by the WCB in the year. Excludes claims not covered under the Act, not work related, still pending, and/or duplicated within the system.

5 Unaccepted claims are reported as a percentage of the total entitlement decisions for claims reported for the year. Entitlement decisions status is at February 2,09 for 2008 claims reported. Claims are not accepted when the industry is not covered by The Workers' Compensation Act, 1979, a claim is not work related, or no further information is received following the initial report of the injury. Total may not equal due to rounding.

Unaccepted Claims[5] (%)

■ Not Work Related
■ Not Covered Under Act
■ No Further Information

Dependent Spouses

New Awards 2008	25
New Act Wage Loss Recipients (including 2008)	376
Old Act Life-Time Pension Recipients	190

Long Term Earnings Replacement Awards

New Awards 2008	172
Number receiving at December 2008	2,154

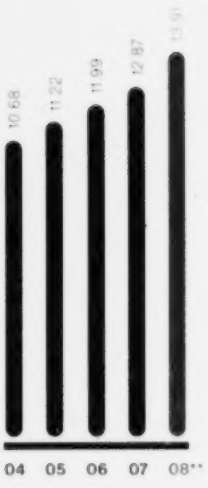
2008 Top Five Areas of Injury*

Body Part	Number of Claims Reported
Back	6,263
Fingers	5,397
Eyes	2,687
Hands	2,421
Shoulders	2,137

* All claims reported and accepted in 2008

Number of Permanent Functional Impairment Awards

Assessment Ceiling

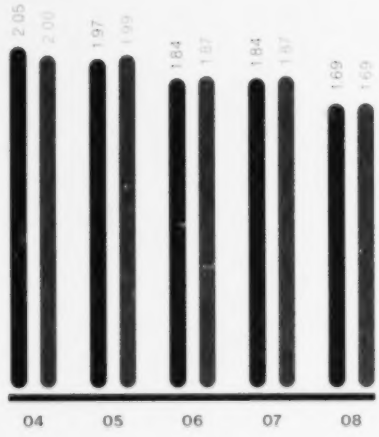


Assessment Payroll (Billions)*

*Previous year's figures have been updated to reflect actual assessment payroll
**Provisional as of December 31

Number of Active Employer Accounts*

*Active employers excludes employers whose assessment accounts were finalized during the year



Average Premium Rate

■ Average Provisional Premium Rate*
■ Average Actual Premium Rate**

* Average Board approved premium rates are based on anticipated reported payroll at the beginning of the fiscal year

** This rate consists of the base rate net of experience rating. 2008 rate was the Board approved rate at time of publication

INJURY RATES AND CLAIM DURATIONS

Rate Code	Description	% of Workers Injured with Time Loss					Average Days †				
		2008	2007	2006	2005	2004	2008	2007	2006	2005	2004
All Class**		3.70%	3.80%	4.05%	4.25%	4.40%	22.1	21.1	21.9	21.6	23.2
A11	Light Agriculture Operations	8.82%	9.96%	10.31%	12.62%	8.99%	23.9	16.2	23.0	19.5	28.0
A21	Farming & Ranching	2.79%	5.31%	4.44%	5.02%	3.70%	42.4	36.9	33.2	48.7	35.6
A31	Grain Elevators & Inland Terminals	1.44%	1.05%	1.06%	0.95%	1.08%	21.9	16.5	14.8	24.6	13.6
B11	Construction Trades	6.46%	7.19%	7.53%	9.28%	8.67%	14.8	16.9	17.6	19.8	22.2
B12	Residential Construction	5.23%	5.70%	5.79%	9.64%	9.45%	17.4	26.5	24.9	26.3	30.1
B13	Commercial, Industrial Construction	7.38%	6.57%	7.05%	7.93%	9.09%	24.5	22.4	34.8	25.3	29.4
C12	Light Commodity Marketing	1.44%	1.97%	1.39%	1.52%	1.36%	21.6	16.7	19.4	19.2	23.0
C32	Grocery, Department Stores, Hardware	2.87%	3.14%	3.37%	3.11%	3.38%	18.4	19.0	18.9	20.7	20.2
C33	Wholesale Chain Stores	5.53%	5.87%	6.45%	7.35%	6.50%	20.8	20.6	17.2	17.3	19.1
C41	Co-operative Associations	4.27%	4.11%	4.54%	4.71%	4.17%	19.6	13.0	15.7	20.5	25.6
C51	Lumber Yard, Builders Supplies	6.01%	6.23%	6.01%	5.62%	5.66%	19.1	15.8	15.4	16.3	22.1
C61	Automotive, Implement Sales & Service	2.35%	2.35%	2.40%	2.82%	2.47%	16.8	20.6	17.4	19.9	22.3
C62	Automotive Service Shops, Towing	3.35%	3.72%	3.87%	4.75%	4.39%	14.3	15.6	15.2	13.8	20.5
D32	Operation of Oilwells	0.73%	1.21%	0.82%	0.89%	1.11%	24.2	32.4	31.3	14.2	31.4
D41	Oilwell Servicing	3.78%	2.73%	4.44%	5.53%	5.63%	23.8	47.5	47.7	30.7	28.1
D51	Service Rigs, Water Well Drilling	4.90%	2.77%	3.12%	3.65%	5.42%	44.5	37.5	49.0	45.9	51.0
D52*	Seismic Drilling	3.49%	3.87%	3.66%	2.36%	2.18%	33.6	48.8	41.0	30.7	34.7
D71*	Open Pit Mining	0.93%	1.08%	0.68%	0.94%	0.84%	36.4	10.4	7.7	14.7	37.0
D72*	Underground Softrock Mining	1.68%	1.49%	1.07%	1.82%	1.58%	24.8	15.0	28.0	20.1	16.0
D73*	Underground Hardrock Mining	2.38%	2.79%	3.17%	2.15%	2.02%	51.7	25.7	23.3	24.7	27.3
F11	Conventional Logging Operations	10.61%	12.73%	11.81%	11.55%	8.14%	57.5	53.2	58.3	59.7	43.9
F12	Mechanical Logging Operations	2.14%	2.19%	3.29%	4.24%	3.18%	140.0	122.0	33.8	34.8	32.8
F13	Log Pulpwood Haulers	3.50%	4.95%	5.69%	3.75%	5.36%	77.8	77.6	77.5	52.8	45.9
F22	Planing, Sawing, Mills, Waferboard	8.37%	4.19%	6.61%	4.56%	4.68%	21.8	20.2	28.1	15.4	24.5
G11	Post-secondary Education	1.26%	1.36%	1.91%	1.43%	1.58%	16.2	9.0	32.4	12.3	14.8
G12	Elementary & Secondary Education	3.53%	2.88%	3.67%	3.99%	3.82%	24.7	18.2	21.8	20.4	29.9
G22	Health Authorities, Hospitals, Care Homes	6.10%	6.26%	6.21%	6.58%	6.82%	23.8	23.8	25.3	25.8	27.1
G31	Cities, Towns, Villages, RMs	5.28%	4.97%	5.43%	5.64%	6.01%	20.0	17.2	16.9	13.9	17.0
G51	Government of Saskatchewan & Ministries	2.04%	2.07%	2.30%	2.14%	2.15%	22.7	28.2	28.1	28.1	30.5
M31	Manufacturing, Pipeline Operations	1.95%	1.47%	1.36%	1.20%	1.38%	7.2*	10.7	11.4	11.5	16.1
M33	Refineries & Upgrader	1.48%	0.78%	1.15%	1.16%	1.08%	24.0	31.3	37.4	25.7	30.5
M41	Dairy Products, Soft Drinks	14.01%	12.14%	10.20%	12.93%	14.05%	17.7	15.2	12.6	16.9	19.3
M42	Bakeries, Food Prep & Packaging	7.78%	7.96%	7.87%	7.27%	7.67%	22.9	16.8	25.2	19.6	14.5
M62	Mills, Semi Medium Manufacturing	9.41%	10.29%	11.59%	11.47%	11.37%	16.1	13.6	18.7	11.3	14.3
M72	Processing Meat, Poultry & Fish	11.97%	10.28%	12.30%	12.96%	10.05%	17.8	16.0	17.9	12.6	13.1
M81	Metal Foundries & Mills	2.37%	2.33%	3.19%	4.49%	3.93%	15.0	28.6	18.1	10.2	24.7
M91	Agricultural Equipment	5.55%	5.86%	6.21%	6.58%	6.82%	14.8	12.8	15.4	15.1	16.4
M92	Machine Shops, Manufacturing	9.59%	11.15%	12.87%	14.32%	12.80%	14.8	14.8	14.6	16.3	15.6
M94	Boat and Trailer Manufacturing	5.55%	5.77%	6.21%	6.58%	6.82%	13.0	14.1	12.5	13.3	15.4
R11	Road Construction & Earthwork	3.76%	4.07%	4.29%	5.67%	5.74%	31.5	29.6	32.5	30.8	36.5
S11	Legal Offices, Financial, Drafting	0.88%	1.36%	0.97%	0.98%	0.97%	18.2	20.8	23.9	11.8	20.1
S12	Offices, Professionals	0.68%	0.75%	0.92%	0.86%	0.78%	18.2	18.6	23.3	17.2	23.7
S21	Community & Social Services Offices	0.96%	1.06%	1.06%	1.06%	1.06%	16.5	17.1	17.4	17.1	17.1
S22	Restaurants, Catering, Dry Cleaning	1.87%	2.00%	1.92%	2.24%	2.33%	18.3	17.0	15.7	17.8	16.8
S23	Hotels, Motels, Taxis	2.44%	2.79%	2.66%	2.58%	2.66%	16.9	17.3	14.9	20.1	16.4
S32	Personal, Business & Leisure Services	3.47%	3.79%	3.07%	3.58%	3.06%	25.4	22.7	22.3	18.3	23.6
S33	Campgrounds, Pool & Golf Operations	4.36%	5.72%	4.70%	4.50%	4.70%	12.4	10.5	11.2	11.1	11.1
S41	Engineering, Testing & Surveying	0.65%	0.69%	0.71%	0.68%	0.76%	21.5	15.9	11.2	27.3	27.4
T11	Transportation, Couriers, Couriering of Mail	1.00%	1.40%	1.52%	1.53%	1.53%	17.4	17.6	17.4	14.8	15.1
T51	Operation of Railways	1.97%	2.18%	1.89%	1.74%	2.64%	44.0	35.9	54.0	28.9	35.9
T61	Commercial Air Transportation	1.59%	1.60%	2.26%	1.87%	1.86%	16.2	10.1	14.4	8.1	9.6
U11	Telecommunications	1.80%	1.38%	2.11%	1.46%	1.90%	21.2	13.7	17.5	15.2	14.1
U61	Electric Utilities	1.08%	1.08%	1.08%	1.08%	1.08%	16.1	13.0	16.7	9.4	14.1

% of workers injured with Time Loss equals Time Loss claims divided by # of workers covered

Number of workers covered calculated by dividing assessable payroll by the Statistics Canada average weekly wage for each rate code

*In 2006 there were rate code reclassifications in class D. For years prior to 2006 the injury rates and average days shown are those calculated under the new classification scheme.

** All Class Injury Rate includes Government of Canada (Deposit Account)

† Average days on compensation based on current year Time Loss claims registered

BALANCED SCORECARD

STAKEHOLDERS

Worker Service Feedback

■ Measure
— Target 4.75

Employer Feedback

■ Measure
— Target 4.75

Time Loss Claim Duration

■ Measure
— Target 32.35

Worker Satisfaction
Shows injured worker satisfaction with WCB services, using a quarterly random survey of claimants. A rating of 4 or above indicates that overall, workers are satisfied with the quality of service provided by the WCB.

2008's average of satisfaction was 4.05 out of 5.0.

Employer Satisfaction
Shows employer satisfaction with WCB services using a quarterly random survey. A rating of 4 or higher indicates that overall employers are satisfied with the quality of service provided by the WCB.

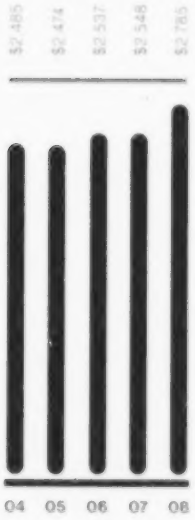
Employers' 2008 average satisfaction was 4.00 out of 5.0.

Claims
Indicates the average number of days paid for Time Loss claims, represented by all Time Loss claims paid within a 12-month period.

FINANCIAL

Average Premium Rate

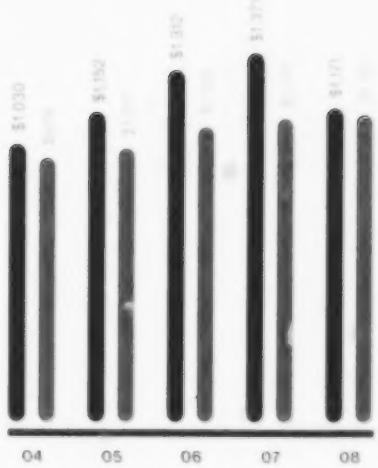
■ Measure



Administration Costs Per Time Loss Claim

■ Measure

— Target $2,000



Fully Funded Status (millions)

■ Assets

■ Liabilities

Stability of Rates

Shows the change in employer rates over time.

2008's average Board-approved employer premium rate net of discounts was $1.69. This rate was 8.2 per cent lower than in 2007 and resulted in Saskatchewan continuing to have one of the lowest premium rates among provincial jurisdictions.

Administration Costs Per Time Loss Claim

Demonstrates the average cost of administering a Time Loss claim, an important measure of administrative efficiency.

In 2008, the administration cost per Time Loss claim was $2,785. Saskatchewan has the lowest administration cost per Time Loss claim in Canada according to AWCBC indicator ratios (most recent figures available are for 2007).

Fully Funded Status

Illustrates the comparison between the WCB's assets and liabilities.

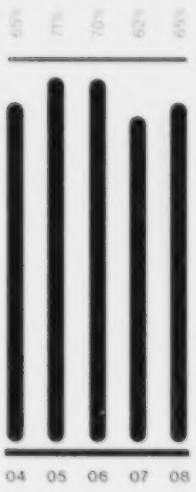
For 2008, assets were $1,171 million and liabilities were $1,150 million.

The WCB continues in its ability to fund 100 per cent of its legislated requirement.

INTERNAL

Accuracy of Entitlement Decisions
Quality Assurance

■ Measure
— Target 95%



Time to First Payment

■ Measure
— Target 75%

Return to Work

■ Measure
— Target 92%

Accuracy of Entitlement Decisions
Independent quality assurance reviews are made to determine accuracy of entitlement decisions.

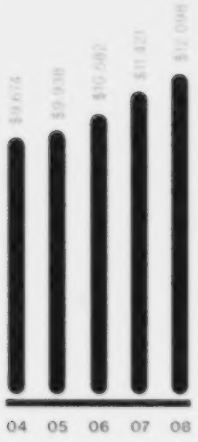
At 95 per cent, 2008's results met the target for the fourth consecutive year.

Income Replacement
Shows the proportion of workers receiving their first wage loss cheque within 14 days of the date of injury.

By comparison, 74 per cent of eligible workers received their first cheque within 14 days of the date the WCB was notified of the injury.

Return to Work
Depicts the proportion of injured workers who have returned to work after being declared employable.

Based on all closed claims, 93 per cent of injured workers returned to work in 2008. The remainder either moved to long-term compensation, or did not return to work for reasons not related to their claim. This result exceeds the 92 per cent target.

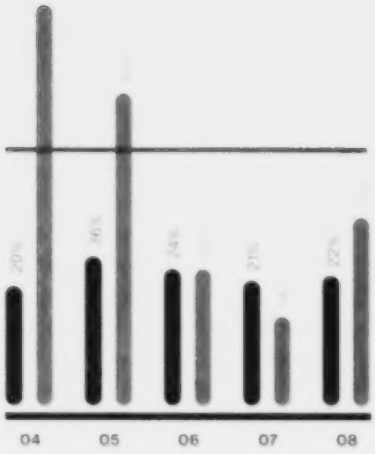


Compensation Cost Per Time Loss Claim

■ Measure

Injury Rate

■ Measure



Time to Process Appeals –
2008 Appeals Department Target 50% within 30 days
2008 Board Target 50% within 120 days

■ Appeals Department
■ Board Appeals
— Target

Program Cost Per Time Loss Claim
Measures the average current year compensation cost per Time Loss claim (all claims in the system).

In 2008, each Time Loss claim saw an average of $12,098 spent on short and long-term wage replacement, health care, and vocational rehabilitation costs.

Injury Rate
Measures the number of Time Loss injuries per 100 workers.

The provincial injury rate continues to drop, reaching 3.70 per cent in 2008, a 25.3 per cent reduction since 2002. The goal is to reach 3.50 per cent by the end of 2009.

Appeals
Depicts the length of time to process an appeal from the date it is received by the WCB until a decision is rendered.

While the percentage of appeals processed within 30 days at the Appeals Department remained stable at 22 per cent, the length of time between when the appeal is received to when a decision is rendered has been steadily decreasing. It is now 45-50 days compared to a high of 180 days five years ago.

The number of Board appeals was up slightly in 2008. Some progress was made in reducing the turnaround time, with a 20 day reduction. Efforts to reduce the turnaround time will continue in 2009.

FOUNDATION

Demonstrated Competence

■ Measure
— Target 90%

Cultural Audit Results

■ Measure
— Target 106

Demonstrated Competence
Indicates the percentage of employees demonstrating required competencies for their jobs.

Introduced in 2005, this measure has been consistent at 98 per cent year over year.

Constructive Culture
Demonstrates the rating staff gives each year to positive aspects of the WCB's workplace culture. 100 represents the median score for companies using this test instrument.

The WCB measures the culture in two ways: behavioural norms assessed against a pre-established ideal based on similar organizations and a series of supplemental questions specific to WCB.

The results of the behaviour norms compared to the ideal increased to 102 in 2008 which equals the highest score previously attained (2004) using this audit tool.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis (MD&A) is the responsibility of management and is intended to provide a narrative explanation of the Saskatchewan Workers' Compensation Board's (WCB's) financial condition and results of operations for the year ended December 31, 2008.

The Board of Directors carries out its review of the MD&A following a recommendation from the WCB's Audit Committee.

The MD&A should be read in conjunction with the audited financial statements and supporting notes as its purpose is to complement and supplement these documents. Forward-looking narrative statements contained in this discussion and analysis represent management's expectations based on information available as of March 5, 2009. Because forward-looking statements involve certain risks and uncertainties, actual future results may differ from those anticipated in this discussion.

BUSINESS OVERVIEW

Overview of Our Core Business

The WCB's vision is to serve injured workers and employers by developing and delivering workers' compensation programs and services in Saskatchewan. Furthermore, the WCB seeks to serve all workers and employers by developing and delivering injury prevention programs and services that will help Saskatchewan move quickly to zero workplace injuries. The WCB does this by:

- Providing support to injured workers, their families and employers when they need it most,
- Returning injured workers to wellness, including the return to suitable employment,
- Developing and promoting injury prevention programs for all insured workers and employers through the ***WorkSafe Saskatchewan (WorkSafe)*** partnership, and
- Building collaborative relationships that serve the interests of both workers and employers.

Each year, the WCB develops a Strategic and Operational Plan to achieve core business objectives and to support corporate strategies. The plan incorporates programs and projects in the following areas: Safety and Prevention, Excellent Service, Effective Processes, Competent People and Financial Integrity. A detailed presentation of this plan together with key performance tracking measures can be found at **www.wcbsask.com**.

Risk Management

Risk management is an important component in achieving the objectives outlined in the Strategic and Operational Plan. Risk mitigation takes place in the planning, budgeting and performance management cycles. Senior managers annually update a risk register to identify and assess risks that could prevent the WCB from achieving its goals for benefits and services delivery, and for financial management purposes. Currently, significant risks are evident in the following areas:

- Recruiting WCB staff in a tightening labour market,
- Improving Saskatchewan's workplace safety record,
- Predicting the impact of volatile investment markets on WCB's business objectives, and
- Accessing health care for injured workers to meet return to work objectives.

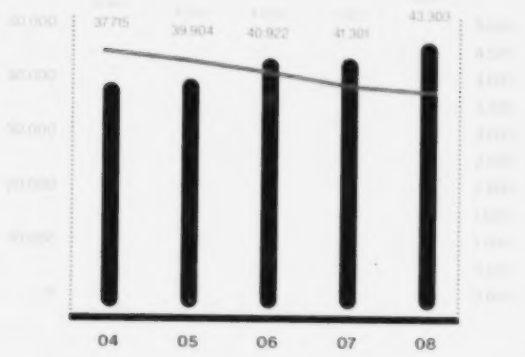
2008 OPERATIONAL HIGHLIGHTS AND FUTURE PROSPECTS

Prevention of Work Related Injuries

Time Loss Injury Rate –
2008: 3.70 per cent (2007: 3.80 per cent)
Total Claims Reported –
2008: 43,303 (2007: 41,301)

Since 2003, a key component of the WCB's vision has been to excel in the development and delivery of injury prevention programs and services. At the end of 2002, Saskatchewan's workplace Time Loss injury rate peaked at 4.95 per cent, meaning that 5 out of every 100 workers covered by workers' compensation were injured at work and received wage loss payments. In 2008, for the sixth straight year, the workplace Time Loss injury rate declined to 3.70 per cent, a 25.3 per cent decline since 2002 and a 2.6 per cent drop in 2008. This is a tremendous accomplishment achieved through the combined efforts of Saskatchewan's workers, employers and other stakeholders of the compensation system.

Saskatchewan, however, still has the second highest Time Loss injury rate in Canada. For 2007, the latest statistics available from the Association of Workers' Compensation Boards of Canada (AWCBC), the Canadian average Time Loss injury rate is 2.26 per cent. The WCB through ***WorkSafe*** and working closely with its stakeholders, will continue its efforts to bring Saskatchewan's Time Loss injury rate down further.



Claims Reported and Time Loss Claim Ratio

■ Claims Reported

The 3.70 per cent injury rate is determined by taking the number of Time Loss claims (TLCs) accepted and paid in the year and dividing it by the number of workers covered by the WCB. In 2008, the WCB accepted 13,429 TLCs, the lowest number of TLCs since 1999. This is also 54 fewer claims than the 13,483 claims accepted by the WCB in 2007. The number of workers covered by the WCB in 2008 was 362,667 - an increase of 7,749 or 2.2 per cent from the 354,918 workers covered in 2007.

A concern for the WCB is the increase in the total number of claims. In 2008, 43,303 claims were reported to the WCB, an increase of 2,002 from 2007. Of the claims reported, 36,950 were accepted which is 1,445 more than the 35,505 claims accepted in 2007. While the Time Loss injury rate continues to decline, the total number of work related injuries is rising. As employers are better able to accommodate injured workers in the workplace, workers may not miss time away from work due to a work related injury and therefore not be counted as a TLC. This is a worrisome trend because the ultimate goal is the prevention of all work related injuries in Saskatchewan.

WorkSafe, the partnership between the WCB and the Occupational Health and Safety Division of the Ministry of Advanced Education, Employment, and Labour (the Ministry), has set a target of a 3.50 per cent workplace Time Loss injury rate by the end of 2009. Improved programs and services aimed at specific workplaces, industry sectors, occupations and injury groups will be key to meeting this objective. While ***WorkSafe*** is confident this objective can be achieved, it can only be done by garnering the attention and support of all workers, employers, safety associations, unions and employer associations.

In 2008, the ***WorkSafe*** partners signed a new Memorandum of Understanding (MOU). The MOU signals a renewed commitment and increased cooperation between the two partners, focusing their combined resources and placing increased emphasis on the

province-wide prevention initiative. To learn more about the MOU and the ***WorkSafe*** strategic plan, visit our website at **www.wcbsask.com.**

As part of the new focus on prevention, ***WorkSafe*** adopted Mission: Zero in 2008, a call to action that delivers a compelling message to Saskatchewan workplaces: zero injuries, zero fatalities, zero suffering.

Health and Safety Certification

The Joint Industry Committee (JIC) was formed in 2006 to encourage employers to adopt health and safety programs and to establish appropriate certification standards. The JIC is made up of safety leaders representing a variety of industry rate codes and organized labour. Also included are advisory members from the WCB and the Occupational Health and Safety Division of the Ministry.

By the end of 2008, the JIC had approved a quality assurance process that will ensure all JIC certifying partners are providing audits that meet quality standards. This process complements the frameworks of standards that were put in place for health and safety programs and corresponding audits in 2007. Industries are now able to implement certification programs or use the framework to provide a clear outline of standards for loss control. Furthermore, employers within these industries can now be assured that certification program audits carried out by JIC certifying partners are of the highest quality.

The WCB believes that industries and employers within those industries that promote and adopt standardized health and safety programs will realize significant improvements through lower injury rates. More importantly, the impact of workplace injuries on workers and their families will be reduced as the province's workplaces become safer.

Experience Rating Program

Discounts –

2008: $21.8 million (2007: $21.5 million)

Surcharges –

2008: $19.8 million (2007: $18.7 million)

2008 was the second full year of implementation of the WCB's Experience Rating Program (ERP). This program provides financial incentives to encourage workplace safety, injury prevention measures and effective return to work programs. The ERP ensures that the relatively small number of employers responsible for the majority of costs in the system pay higher premiums through surcharges. Employers who do not contribute to the costs of the system receive a discounted premium rate. Discounts and surcharges are calculated when the annual rates are set in the fall of each year and are applied to the employer's industry premium rate for the upcoming year.

There are two ERP programs: the advanced program applies to employers who pay more than $15,000 in premiums to the WCB over a three-year period; employers who pay less than this amount are in the standard program.

In 2008, employers in the ERP's advanced program were subject to a 200 per cent maximum surcharge. Employers in the standard program were subject to a 75 per cent maximum surcharge. The maximum discount available to employers in the standard program was 25 per cent

while employers in the advanced program were eligible for a maximum 30 per cent discount. In 2008, 1,338 Saskatchewan employers paid $19.8 million in surcharges while 20,096 employers received discounts of $21.8 million.

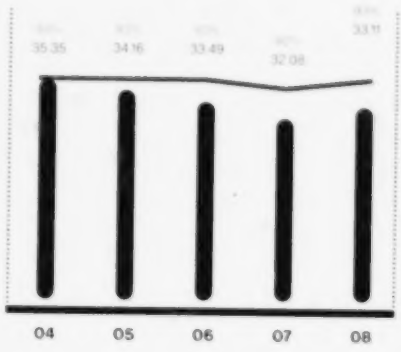
By reducing the number of work injuries and their associated costs, employers can move from a position of paying a surcharge to a position of receiving a discount. This is most effectively achieved by implementing effective workplace health and safety programs and by instituting programs that allow injured workers to return to work as soon as medically safe to do so.

Claims Management Process
Return to Work –
2008: 93 per cent (2007: 92 per cent)
Average Duration –
2008: 33.1 days (2007: 32.1 days)

Claims outcomes in Saskatchewan stabilized somewhat in 2008 as the system increasingly aligns around a common understanding of return to work (RTW) philosophies and processes.

At year end, an average 93 per cent of injured workers sustaining a Time Loss injury returned to work, surpassing an aggressive 92 per cent objective. All stakeholders can be justly proud of this outcome.

Average claim duration – the rolling 12-month average time away from work of all Time Loss claims in the WCB system – increased one day to 33.11 days in 2008 after a steady decrease of ten days over the previous seven years. This outcome is slightly higher than the goal of 32.35 days. Initiatives will be implemented to sustain durations in the 32 to 33 day range. Safety, as always, is the primary consideration in RTW planning, with timeliness a close second.



Claim Duration and Return to Work Percentage

■ Duration Days
— Return to Work Percentage

At year end, through independent surveys, our two equally important clients – workers and employers – rated their overall satisfaction with WCB service at 4.00 and 4.10 out of 5 respectively. Results greater than 4 are technically excellent. The WCB benchmarks favorably against like companies which average 2.9 out of 5. The WCB's objective is to strive for 4.75. Service improvements identified by WCB clients will remain an operational priority.

In 2008 the WCB continued its focus on the evolution of the core claims computer system. A specific course of action has been approved and WCB staff are in the process of executing related plans. The objective is to have a new system in place by year end 2010.

Human Resources and Team Support

The WCB fully integrates Human Resources into its strategic and operational planning processes. This is critical to ensure the organization has the right number of people with the right skills to maintain operations and achieve corporate and business plan objectives. From a human resources perspective, their focus continues to be on hiring, developing and retaining staff. Sourcing and recruiting efforts were successful in 2008 largely due to:

- WCB being recognized as a Top Employer in Saskatchewan for the second year in a row,
- Positive relationships with post-secondary institutions and post-secondary students,
- WCB's support of an inclusive working environment through bursary programs, targeted sourcing initiatives and providing meaningful jobs for students, and
- WCB's Youth Friendly designation and Equity Seal from the Saskatchewan Human Rights Commission.

Developing its existing workforce remained a strategic priority for the WCB. The organization provides relevant training and development opportunities and considers a well prepared workforce as an investment in the future. In 2008, employees demonstrated 98 per cent competence, as measured through the performance management system. The target for this key performance indicator is 90 per cent.

Retaining staff also is critical to the organization's success. Employees possess a wide range of knowledge with respect to the workers' compensation system and related processes. A number of these employees have many years of experience with the WCB. The organization tracks and maintains data with respect to internal demographics like turnover rates and retirement projections so it can plan for future workforce requirements. The WCB also conducts an annual cultural survey. The result from the 2008 cultural audit equaled the highest score ever achieved by the organization.

From a Team Support perspective, opportunities to improve the quality of decision-making, which includes the correct application of policies, is addressed through the review of entitlement decisions. Without encroaching on decision-making independence, quality assurance staff provide constructive feedback to help achieve quality outcomes. The target of 95 per cent accuracy of entitlement decisions was achieved in 2008.

The global economic slowdown in 2008 caused great uncertainty in world markets. However, the WCB believes it is well positioned to meet future challenges with respect to human resources and it will continue to make every effort to minimize risk in this regard.

2008 FINANCIAL HIGHLIGHTS

Saskatchewan's economy remained strong in 2008 but the decline in global markets resulted in a significant decrease in investment returns for the year. Despite the decline in investment income, the WCB recorded a modest operating surplus of $10.9 million in 2008 that was allocated to the WCB's reserves and Injury Fund. As a result, the WCB remains in a fully funded position with its Injury Fund at $109.0 million. Reserves sit at $58.2 million. With continuing declines in the Time Loss injury rate, the average premium rate for 2009 declined 1.8 per cent to $1.66 – down from $1.69 in 2008.

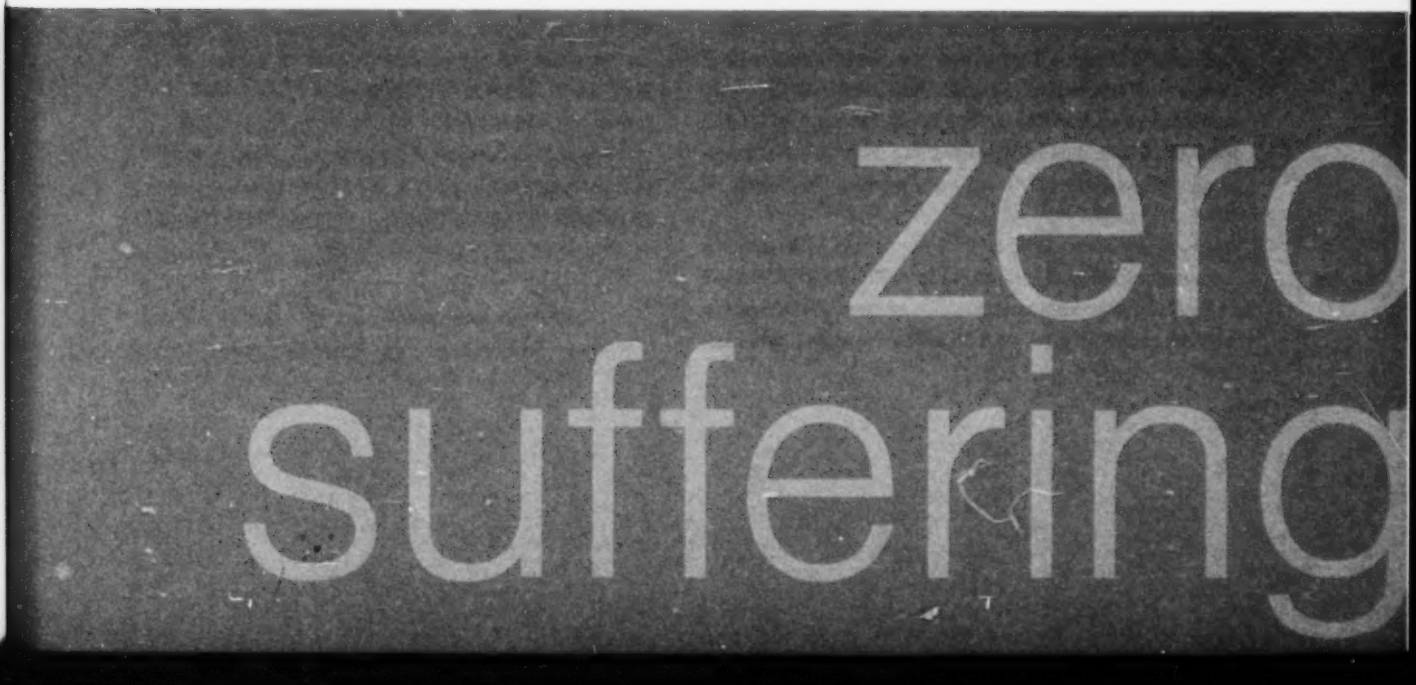
Revenues

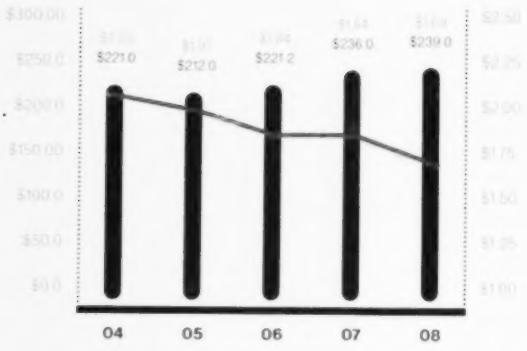
Premium income and investment income are the WCB's two sole sources of revenue. In 2008, revenues totaled $261.0 million, a 32.2 per cent decrease from $385.1 million the year previous.

Premiums

Total premium revenue is made up of base premiums plus discounts and surcharges disbursed and collected through the Experience Rating Program (ERP), less payments made to industry safety associations.

For 2008, employer assessable payrolls increased by 8.1 per cent to $13.91 billion due to strong economic growth, particularly in the construction, oil and gas, and mining sectors. Due to this strong payroll growth, base premium revenue increased by 1.4 per cent from $242.6 million in 2007 to $246.1 million in 2008, even after the average premium rate declined to $1.69 in 2008 from $1.84 in 2007. In addition, the net cost of the ERP dropped $.7 million in 2008 to sit at $2.0 million.





Premium Revenue and Average Premium Rate

■ Premium Revenue (millions)
— Average Premium Rate (per $100 Insurable Earnings)

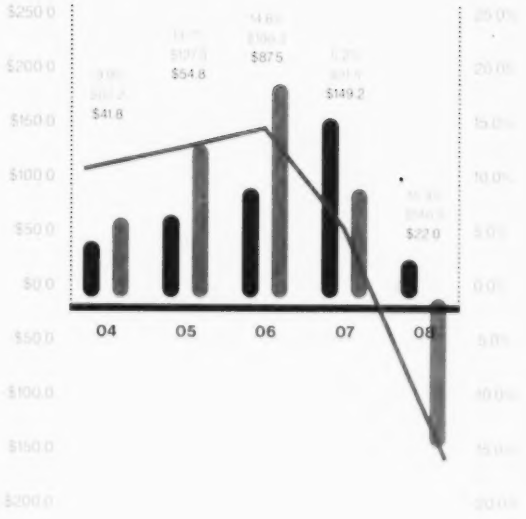
Investment Income

Investment income is an important revenue stream for the WCB. It supplements premiums to help cover total expenses for the year. The long-term assumption that the WCB's investments will generate an annual nominal rate of return of 6 per cent is built into the benefits liabilities as well as the premium rate setting model. However, in 2008, the WCB had a negative investment return of (15.9) per cent at market compared to the 5.2 per cent return in 2007.

Investment income dropped 85.2 per cent in 2008, from a record high of $149.2 million in 2007 to $22.0 million in 2008. This represents $53.4 million of income from interest and dividends and $2.5 million from net gains realized from the sale of real estate for a total of $55.9 million. Subtracted from this amount is $11.1 million from net losses realized from the sale of equities and bonds, investment write-downs of $20.6 million and $2.2 million for other investment expenses including bond premium amortization.

The WCB records its equity and bond investments at market value and this is reflected in the $1,062.8 million shown as Investments on the Statement of Financial Position. Any unrealized gains and losses on these investments in the year are reported as Other Comprehensive Income (Loss) in the Statement of Changes in Funded Position. In 2008, the WCB recorded an Other Comprehensive Loss (OCL) of $237.8 million. This $237.8 million OCL is made up of net unrealized losses of $269.5 million reduced by net realized losses of $11.1 million and investment write-downs of $20.6 million which are recorded in investment income.

The OCL of $237.8 million for 2008 is then reflected in the Accumulated Other Comprehensive Income (AOCI) on the Statement of Financial Position. At December 31, 2007 the AOCI sat at $91.3 million. The OCL of $237.8 million reduces the AOCI, leaving the AOCI in a loss position of $146.5 million at December 31, 2008. This $146.5 million represents the accumulated net unrealized losses included in the nearly $1.1 billion of investments reported on the Statement of Financial Position.



Investment Return

■Investment Income (millions)
■Accumulated Other Comprehensive Income
—Percent Return on Market

Investment Strategy

The WCB's Statement of Investment Policies and Goals (SIP&G) outlines its investment and risk philosophy. The SIP&G reflects the long-term nature of the WCB's liabilities and the impact of future inflation on existing liabilities.

To achieve its long-term investment goals, the WCB diversifies among asset classes – fixed income securities, equities, and real estate – to maximize returns at an acceptable level of risk. The WCB further diversifies within asset classes by selecting investment managers with varying investment mandates and styles.

The WCB's Investment Committee, reporting to the Board of Directors, recommends for approval the SIP&G and the appointment of the investment managers with the assistance of an independent investment consultant. It also monitors the performance of the investment managers against established benchmarks. The Investment Committee sets prudent policy goals and objectives to ensure stability of the funding. The Committee meets regularly to monitor the performance of the investment managers and to review the ongoing relevance of the policies.

While global investment markets were exceptionally volatile in 2008, the Investment Committee believes that a long-term perspective must be maintained. Saskatchewan WCB has consistently shown good investment returns when compared to other WCBs across Canada. In 2007, the most recent year for which statistics are available from the Association of Workers' Compensation Boards of Canada (AWCBC), Saskatchewan had the third best market rate of return. The Committee and its investment managers reasonably expect improvement in investment performance in 2009.

Expenses

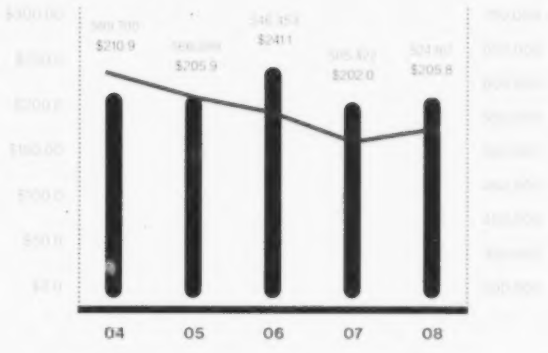
The WCB has four main categories of expenses: claims costs, annuity fund interest, administration costs and legislated obligations.

Claims Costs

As reported in the Statement of Operations, claims costs include actual payments made for compensation purposes throughout the year plus the increase in benefits liabilities. Benefits liabilities represent the amount required to pay the future costs of all claims in the system at December 31. In 2008, claims costs totaled $205.8 million, a 1.9 per cent increase from $202.0 million of claims costs paid in 2007.

The compensation component of claims costs consists of short-term wage loss and long-term earnings replacement payments to injured workers and their dependents, the health care services provided to injured workers, and any vocational rehabilitation required to return injured workers to meaningful employment. Administration costs for adjudicating and managing claims also are allocated to claims costs, bringing the total 2008 compensation expenses to $191.5 million, a 6.4 per cent or $11.6 million increase over 2007 compensation expenses of $179.9 million. As total claims costs rose by only $3.8 million and the compensation costs rose by $11.6 million, this indicates the increase in the benefits liabilities was lower than in 2007.

The difference between the $191.5 million of compensation payments made on accepted claims and the $205.8 million of claims costs reported in the Statement of Operations is a $14.3 million actuarial increase compared to a $22.1 million increase in 2007. This amount is added to the benefits liabilities to ensure the WCB can meet its legislated obligation to pay the costs of all existing claims into the future. Benefits liabilities are discussed in more detail further on in this analysis.



Claims Cost

■ Claims Cost (millions)
— Days Paid Compensation

Durations and the number of new Time Loss claims are two key drivers of compensation costs. While the duration of Time Loss claims being paid increased in 2008, the impact was reduced by the decrease in new Time Loss injuries. As well, wage loss benefits paid on claims from previous years influences overall compensation costs. At the end of 2008, a total of 15,830 Time Loss claims were being paid, a slight increase from the 15,755 claims being paid a year earlier.

With longer durations and more total Time Loss claims paid in 2008, the total number of compensation days paid during the year increased by 3.7 per cent; 524,167 total compensation days were paid in 2008 compared to 505,422 days in 2007. The increase in days paid, combined with a 4.4 per cent increase in the wage loss paid per day, resulted in short-term wage loss payments of $63.5 million in 2008. This represents a 6.4 per cent increase over 2007.

Health care expenses in 2008 increased to $571 million, a 9.0 per cent increase over 2007. The WCB continues to invest more in treatment at the primary care level to help injured workers return to work as soon as medically safe to do so. The 2008 increase is primarily due to increased product and service fees paid to health care providers and suppliers in this sector.

Vocational rehabilitation remains an important component of compensation as it provides the retraining and education required when injured workers cannot return to their pre-injury job. Vocational rehabilitation costs dropped slightly in 2008 to $3.8 million, down $0.2 million year over year. Vocational rehabilitation referrals have remained relatively stable over the past four years. The WCB remains diligent in its efforts to ensure that workers who require services are given the appropriate training, education, and modifications to their homes and workplaces.

Payments for long-term disability or earnings replacement and survivor benefits increased in 2008 to $56.9 million, compared to $54.2 million in 2007. This increase was primarily for amounts paid to injured workers receiving current Act long-term earnings replacement. In 2008, while the number of injured workers receiving benefits declined by 48, the 10 per cent increase in the average benefit paid resulted in an overall increase of 5 per cent compared to 2007. In addition, there was a net increase of 123 workers collecting Independence Allowance in 2008.

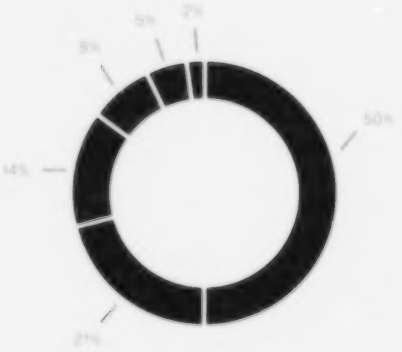
Benefits Liabilities

Benefits liabilities increased 1.5 per cent from $955.3 million to $969.5 million. This increase was driven by a significant increase in projected future health care benefits, and also by an increase in the allowance for the administration of future claims.

In determining projected health care costs, the 2008 valuation increased medical cost inflation from 5.0 per cent to 6.0 per cent. This change resulted in an increase in the benefits liabilities of $18.6 million. The remaining long-term economic and actuarial assumptions used in determining future benefits and administration costs were the same as those used in 2007. The real rate of return used is 3.5 per cent, wage growth is still expected to increase at 1.0 per cent above inflation, and inflation is projected to increase at 2.5 percent. The WCB considers these assumptions to be a realistic best estimate of future expectations.

Most wage-based benefits paid by the WCB are expected to increase at the 2.5 per cent rate of inflation and will be discounted at the nominal rate of 6 per cent. This means that most benefits, for the purpose of calculating the benefits liabilities, are determined using the 3.5 per cent real rate of return. Pension awards for long-term disability and survivor benefits, however, are subject to a ceiling based on the maximum wage rate prescribed under Section 38.1 of the Act. For the purpose of determining the present value of these future obligations that are capped by statutory limits, these obligations have been discounted using the nominal rate of return of 6.0 per cent per year.

The benefits liabilities also contain an amount set aside to administer benefits in future years. The WCB has determined that the allowance for the expenses included in the liability valuation should be 4.2 per cent of the liability for long-term disability and survivor awards and 6.3 per cent of the liability for all other claims. Future benefits administration accounts for $46.5 million of the $969.5 million total benefits liabilities.



Benefits Liabilities

50%	Long Term Disability	$ 480,808
21%	Health Care	$ 205,289
14%	Short Term Disability	$ 137,381
8%	Survivor Benefits	$ 75,549
5%	Future Benefits Admin	$ 46,470
2%	Vocational Rehab	$ 24,048
100%	Total	$ 969,545

Annuity Fund Interest

To compensate the worker for the loss of retirement income due to a workplace injury, and pursuant to the Act, the WCB contributes an additional amount, equal to 10 per cent of all eligible benefits payments, into an injured worker's annuity fund. This occurs once the worker has received benefits for more than 24 consecutive months. The WCB continues to contribute to the worker's annuity fund until the worker returns to work or reaches age 65. During 2008 contributions to the fund amounted to $5.7 million compared to $5.5 million in 2007.

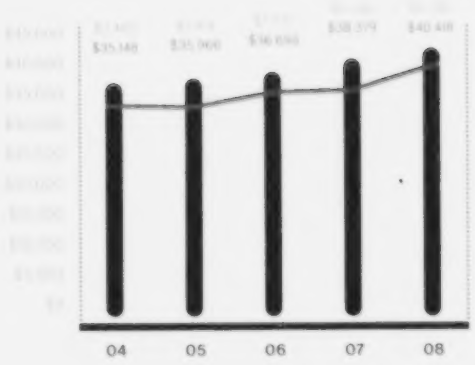
The funds annually accrue interest based on an internally calculated rate of return: $5.0 million at 2.8 per cent in 2008 compared to $15.4 million at 10.9 per cent in 2007.

Total payouts in 2008 were $7.7 million, up 22 per cent over the $6.3 million paid out in 2007. The resulting $158.9 million annuity fund payable at December 31, 2008 increased 1.9 per cent over the balance at December 31, 2007. While there were 5,684 active claims with annuity funds at the end of 2008 compared to 5,566 at the end of 2007, the average annuity remained approximately $28,000 per claim.

Administration Expenses

Administration costs rose to $40.4 million in 2008 from $38.4 million in 2007 before costs charged to Future Benefits Administration. This 5.2 per cent increase reflects a negotiated salary increase for staff and accompanying benefit increases.

Notwithstanding this increase, administration costs have remained stable over the past eight years. The 2008 administration costs are at approximately the same level as they were in 2001.



Administration Expenses and Administration Cost Per Time Loss Claim

■ Administration Expenses
▬ Administration $ per Time Loss Claim

Expenditures on ***WorkSafe*** remained relatively constant in 2008 at $1.3 million. As the provincial injury rate continues to decline, the WCB and its ***WorkSafe*** partner, the Ministry of Advanced Education, Employment and Labour, remain confident that expenditures to reduce the injury rate are paying significant dividends. Fewer Time Loss injuries for workers and lower costs for employers are the net result.

An important measure of administrative efficiency is the administrative cost per Time Loss claim. This was calculated to be $2,785 in 2008 compared to $2,548 in 2007. The increase reflects the drop in the pure number of Time Loss claims and the slight increase in administration costs overall. Based on published statistics from the AWCBC for 2007, Saskatchewan reports the lowest administration cost per Time Loss claim in Canada.

Legislated Obligations

Under the Act, the WCB is obliged to fund the operations of the Occupational Health and Safety Division and the Office of the Workers' Advocate of the Ministry. In 2008, this funding increased slightly to $9.1 million with $8.4 million ($8.0 million in 2007) directed to the Occupational Health and Safety Division and $0.7 million ($0.7 million in 2007) to the Office of the Worker's Advocate.

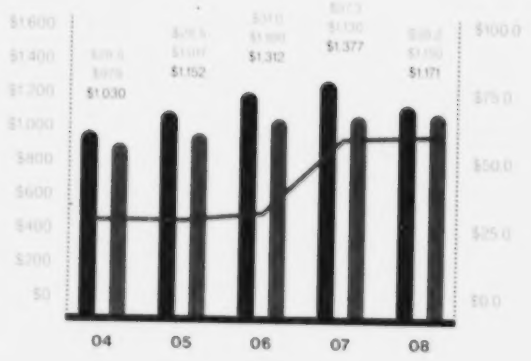
Funding Strategy

The WCB's funding policy is designed to set the parameters for the Injury Fund and each of the reserves held by the WCB.

Of the $10.9 million operating surplus in 2008, a total of $0.9 million was allocated to the reserves to comply with the funding policy, while the remaining $10.0 million was allocated to the Injury Fund. As a result, the $99.0 million in the Injury Fund at the end of 2007 was increased to $109.0 million at the end of 2008.

The Injury Fund is maintained to ensure sufficient funds are available to meet required benefit levels and reduce fluctuations in the average premium rate. The targeted funding range for the Injury Fund is 5 per cent to 20 per cent of benefits liabilities. If the funded status moves outside the targeted range, the WCB will replenish or regulate the fund through the use of reasonable charges and rebates over a period not to exceed five years until the fund is restored to the target range. The funding percentage at December 31, 2008 based on the funding policy was 111.2 per cent compared to 110.4 per cent at the end of 2007.

The Second Injury and Re-employment Reserve (Second Injury) was established to provide employers with cost relief on claims that were attributed to an earlier injury and to assist in facilitating return to work through retraining.



Funded Position and Reserves (Millions)

■ Assets
■ Liabilities
— Reserves

Currently, the $9.7 million in this reserve is 1.0 per cent of the benefits liabilities as recommended by the policy.

The Disaster Reserve and Occupational Disease Reserve were initially created to meet the requirements of the Act with respect to disasters and to meet the costs of emerging occupational diseases. The Disaster Reserve has two components: one for less severe disasters which meet the threshold outlined in the Act and one for rare but very severe disasters. The funding policy specifies 1.0 per cent of benefits liabilities for each component. The total of the disaster reserve was $19.4 million at the end of 2008. With respect to the Occupational Disease Reserve, the funding policy specifies a rate of 3.0 per cent of benefits liabilities which resulted in a balance of $29.1 million at the end of 2008.

Future Financial Reporting Changes

In February 2008, the Canadian Accounting Standards Board confirmed that the changeover date for the adoption of International Financial Reporting Standards (IFRS) will be January 1, 2011. Changes to accounting policies and systems must be completed by the end of 2009 in order to prepare comparative IFRS financial statements for the year ending December 31, 2010.

For the WCB, the changeover to IFRS will be effective beginning January 1, 2011 with comparatives for December 31, 2010. The WCB has established an IFRS committee and has provided for training of key employees. The committee is charged with the analysis of transition issues to support initial decisions. The committee also will document IFRS differences and monitor activities in order to identify IFRS accounting policy choices and make recommendations. Because the International Accounting Standards Board (IASB) continues to provide updates to IFRS, the final impact of IFRS will only be known when the December 31, 2011 financial statements are published.

The IASB has issued a discussion paper on Insurance Contracts that outlines the preliminary proposal to change the accounting basis for insurance contracts to fair value based on current exit value. This is an important standard that may have a significant impact on the WCB's financial statements. The IASB aims to publish an exposure draft in late 2009 and a final standard in 2011. With a target effective date likely to be 2013, no impact is expected on the financial statements until the final standard becomes effective.

LOOKING AHEAD

Economic Outlook

According to The Conference Board of Canada, Saskatchewan is expected to lead the country in economic growth in 2009.

Despite global economic turmoil, Saskatchewan is forecast to show an increase in real gross domestic product, growth in personal disposable income and growth in retail sales in 2009.

This positive outlook for Saskatchewan is reflected in the increase in the WCB's 2009 employer assessable payroll forecast from $13.91 billion in 2008 to $14.66 billion in 2009.

Business Outlook

The WCB will continue to identify threats and opportunities to its corporate business plan during its strategic planning process, and create action plans to ensure it can meet future challenges with confidence in its operational and financial plan. Specific strategic initiatives include:

- Focused human resource planning and programming that allows the WCB to recruit and retain a capable workforce.
- Continuing emphasis on the prevention of work related injuries by both the WCB and the Ministry and increased collaboration with stakeholders to bring greater attention to the high personal and economic cost of injuries.
- Prudent financial practices and investment strategies that are carefully monitored and that help the WCB to weather the volatility of global investment markets, and
- Cooperation with health care providers so that injured workers receive appropriate and timely health care services.

On the cost side, administration expenses are forecasted to increase as WCB replaces its claims computer system and as a general wage increase for WCB employees of 4.5 per cent is implemented. Rising worker wages and medical costs will continue to pressure claims costs. Current economic conditions are expected to limit 2009 investment returns to less than the expected long-term rate of return of 6.0 per cent. For these reasons, the WCB must continue to be prudent and conservative in its financial management.

The WCB's 2008 results are driven by an integrated strategic and operational plan.

Visit our corporate website at **www.wcbsask.com** for information on our 2008–2010 Strategic and Operational Plan, and these topics:

- Our legislation, policies and funding
- How we are governed, our organizational structure, and how we practice accountability
- Risk Management
- Statistics on 2008 claims
- The WCB's Balanced Scorecard, our system of measuring and reporting on corporate performance
- 2008 accomplishments of the Operations, Human Resources and Team Support, and Prevention, Finance and Information Technology divisions
- The 2008 Appeals Report
- The 2008 Fair Practices Office report
- The 2008 ***WorkSafe Saskatchewan*** report
- A summary of Board policies that were introduced or amended in 2008
- Key Statistical Measures: how Saskatchewan's WCB compares to other Canadian boards and commissions on key financial and program measures
- Our publications and forms

2008 FINANCIAL REPORT

Workers' Compensation Board (Saskatchewan) Responsibility for Financial Statements

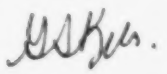
The financial statements are the responsibility of management and have been prepared in conformity with Canadian generally accepted accounting principles. The preparation of financial information is an integral part of management's broader responsibilities for the ongoing operations of the WCB. Management maintains an extensive system of internal accounting controls to provide reasonable assurance that transactions are accurately recorded on a timely basis, are properly approved and result in reliable financial statements. The adequacy and operation of the control systems are monitored on an ongoing basis.

An independent actuary has been engaged to carry out a valuation of the benefits liabilities. The scope of their valuation and opinion are given in the Actuarial Certification.

The financial statements have been examined and approved by the Board of Directors. The Board of Directors meets periodically with financial officers of the Board and the external auditors.

KPMG LLP has been appointed external auditors to report to the Members of the Board regarding the fairness of presentation of the Board's financial position and results of operations as shown in the financial statements. In carrying out their audit, the external auditors place reliance on the work of the actuary and his report on the benefits liabilities. The Auditors' Report outlines the scope of their examination and their opinion.

Peter Federko, CA
Chief Executive Officer



Gail Kruger, CMA
Vice-President, Prevention, Finance and Information Technology

ACTUARIAL CERTIFICATION

To the Board of Directors of the Saskatchewan Workers' Compensation Board

We have completed an actuarial valuation as at December 31, 2008 of the liabilities for benefits payable in the future under the Workers' Compensation Act – Saskatchewan in respect of claims that occurred prior to the valuation date.

We have analyzed the claims data on which the valuation has been based and have performed tests to confirm the reasonableness of the data and its consistency with the data used for valuations in prior years. In our opinion, the claims data is sufficient and reliable for the purposes of the valuation.

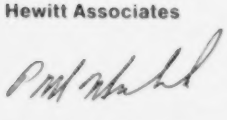
The actuarial valuation of the benefits liability of $969,545,000 represents the actuarial present value at December 31, 2008 of all payments expected to be made in future years in respect of all claims occurring on or before December 31, 2008.

The valuation was based on the provisions of the Workers' Compensation Act in effect as of December 31, 2008 and reflected the legislated maximum wage rate. The benefits liability includes provision for claims arising in the future in respect of latent occupational diseases only to the extent that such claims have been experienced in the past. It also includes provision for future expenses relating to the administration of existing claims. Payments made by the Board on a self-insured basis are excluded from the valuation of the benefits liability.

The actuarial assumptions and methods employed in the valuation represent the best estimate of the Board's future obligations based on the provisions of the Workers' Compensation Act at the valuation date, the Board's current claims adjudication practices and administrative procedures and the pattern of claims costs experienced prior to the valuation. In our opinion, for the purposes of the valuation, the actuarial assumptions are appropriate and the methods employed are consistent with sound actuarial principles.

Our actuarial report has been prepared and our opinions have been given in accordance with accepted actuarial practice.

Hewitt Associates



Peter M. Muirhead
Fellow, Canadian
Institute of Actuaries
March 5, 2009

AUDITOR'S REPORT

To the Members of the Saskatchewan Workers' Compensation Board

We have audited the statement of financial position of Saskatchewan Workers' Compensation Board as at December 31, 2008 and the statements of operations, changes in injury fund, changes in accumulated other comprehensive income (loss), changes in funded position and cash flows for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Saskatchewan Workers' Compensation Board as at December 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

KPMG LLP

Regina, Canada
March 5, 2009

STATEMENT OF FINANCIAL POSITION

(thousands of dollars)

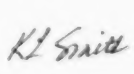
	2008	2007
Assets		
Cash and cash equivalents (note 3)	**$ 56,343**	$ 51,288
Receivables (note 4)	**25,720**	24,690
Investments (note 5)	**1,062,791**	1,278,009
Property, plant and equipment (note 6)	**17,105**	15,553
Other assets (note 7)	**8,764**	7,920
	$ 1,170,723	$ 1,377,460
Liabilities		
Payables and accrued liabilities (note 8)	**$ 21,610**	$ 18,698
Benefits liabilities (note 9)	**969,545**	955,262
Annuity fund payable (note 10)	**158,921**	155,915
	1,150,076	1,129,875
Funded Position (see accompanying statements)		
Injury Fund	**109,023**	98,993
Reserves (note 12)	**58,173**	57,316
Accumulated Other Comprehensive Income (Loss)	**(146,549)**	91,276
	20,647	247,585
	$ 1,170,723	$ 1,377,460

See accompanying notes to financial statements.

On behalf of the Board:

David R. Eberle
Chairman

Walter Eberle
Board Member



Karen Smith
Board Member

STATEMENT OF OPERATIONS

(thousands of dollars)

	2008	2007
Revenue		
Premiums (note 11)	**$ 239,014**	$ 235,951
Investment income (note 5)	**21,961**	149,168
	260,975	385,119
Expenses		
Claim costs (note 9)	**205,798**	202,003
Administration (Schedule 1)	**30,191**	28,786
Annuity interest (note 10)	**4,997**	15,450
Ministry of Advanced Education, Employment and Labour (note 13)	**9,102**	8,897
	250,088	255,136
Operating surplus	**$ 10,887**	$ 129,983

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN FUNDED POSITION

(thousands of dollars)

	2008	2007
Operating surplus	**$ 10,887**	$ 129,983
Other Comprehensive Loss		
Net unrealized losses on equities, bonds, debentures and pooled funds	**(269,533)**	(9,427)
Net realized losses (gains) on equities, bonds, debenture and pooled funds recognized in operating surplus	**11,145**	(87,347)
Investment write-downs recognized in operating surplus (note 5)	**20,563**	2,704
	(237,825)	(94,070)
Comprehensive Income (Loss)	**(226,938)**	35,913
Funded Position, Beginning of year	**247,585**	211,672
Funded Position, End of year	**$ 20,647**	$ 247,585

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN INJURY FUND

(thousands of dollars)

	2008	2007
BALANCE, beginning of year	$ 98,993	$ (4,649)
Operating surplus	10,887	129,983
Appropriation of funds to reserves (note 12)	(857)	(26,341)
Appropriation to fund cost relief for employers	(22,589)	(29,704)
Allocations for cost relief for employers	22,589	29,704
BALANCE, end of year	$ 109,023	$ 98,993

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

(thousands of dollars)

	2008	2007
BALANCE, beginning of year	$ 91,276	$ 185,346
Other Comprehensive Loss	(237,825)	(94,070)
BALANCE, end of year	$ (146,549)	$ 91,276

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS

(thousands of dollars)

	2008	2007
OPERATING ACTIVITIES		
Cash received from:		
Premiums	**$ 243,596**	$ 240,837
Dividends and interest	**53,444**	67,755
	297,040	308,592
Cash paid to:		
Claimants, or third parties on their behalf	**180,418**	170,661
Employees and suppliers, for administrative and other goods and services	**38,937**	40,241
Ministry of Advanced Education, Employment and Labour and safety associations	**13,974**	12,461
	233,329	223,363
Net cash provided by operating activities	**63,711**	85,229
INVESTING ACTIVITIES		
Cash received from:		
Sale and maturity of investments	**1,191,271**	1,564,770
Cash paid for:		
Purchase of investments	**1,245,520**	1,659,444
Purchase of property, plant and equipment	**4,407**	2,223
	1,249,927	1,661,667
Net cash used in investing activities	**(58,656)**	(96,897)
Increase (decrease) in cash during the year	**5,055**	(11,668)
Cash and cash equivalents, beginning of year (note 3)	**51,288**	62,956
Cash and cash equivalents, end of year (note 3)	**$ 56,343**	$ 51,288

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

1. **Status of the Board:**
The Workers' Compensation Board (the Board) operates under the authority of *The Workers' Compensation Act, 1979* (the Act).

In accordance with the provisions of the Act, the Board's purpose is to provide workers' compensation insurance to workers who are injured in the course of their employment.

2. **Significant Accounting Policies:**
These financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP). The Board's significant accounting policies are summarized as follows:

Change in Accounting Policies
Effective January 1, 2008, three new presentation and disclosure standards were adopted. These standards were Handbook Section 1535, Capital Disclosures (Section 1535), Handbook Section 3862, Financial Instruments - Disclosures (Section 3862) and Handbook Section 3863, Financial Instruments - Presentation (Section 3863).

Section 1535 requires disclosure of both qualitative and quantitative information that enables users of financial statements to evaluate the Board's objectives, policies and processes for managing capital. As this standard only addresses disclosure requirements, there is no impact on the Board's operating results.

Section 3862 and 3863 replace Handbook Section 3861, Financial Instruments - Disclosure and Presentation. The new standards increase disclosures related to financial instruments and the nature, extent and management of the Board's risk arising from financial instruments. As these standards only address disclosure and presentation requirements, there is no impact on the Board's operating results.

Measurement Uncertainty
The preparation of financial statements in accordance with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the amounts estimated and the changes in estimates are recorded in the accounting period in which they are determined. The most significant estimation processes are related to the actuarial determination of the benefits liabilities (note 9) and the investment valuation (note 5).

A number of sensitivity disclosures are provided throughout the notes to the financial statements to illustrate the approximate effects on measurements of assets and liabilities that could result from changes in claims experience.

and economic factors such as interest rates, foreign exchange rates and equity market prices. These disclosures are intended to provide information on sensitivity to changes in the business and economic environment and are not intended as forward-looking statements or predictions of future events.

Financial Assets and Liabilities

Financial assets and liabilities are measured based on whether they are classified as held for trading, available for sale, held to maturity, loans and receivables, or other financial liabilities.

The Board has designated cash equivalents and short term, bonds and debenture, equities and pooled equity fund investments as available for sale and therefore these financial assets are carried at fair value. Receivables and accrued interest are designated as loans and receivables and are recorded at amortized cost using the effective interest method. Payables and accrued liabilities are designated as other financial liabilities and are recorded at amortized cost using the effective interest method.

Cash and Cash Equivalents

Cash and cash equivalents consists of cash and money market instruments that will be liquidated in the near term to fund operations.

Investments

All investments are carried at fair value except real estate which is recorded at cost. The fair value of cash equivalents and short term investments is based on cost which approximates fair value due to the short period to maturity. The fair value of bonds and debentures and equities is determined from quoted market values based on the latest bid prices. The fair value of pooled funds is based on the quoted market values of the underlying investments.

Transactions in bonds and equities are recorded as of the trade date. Transaction costs are added to the cost of the investment and taken into account in the determination of the effective interest rate recorded during the period. Direct investment expenses such as external custodial and management fees, are netted against investment income.

Realized gains and losses on disposition of investments are recorded in investment income when realized. Because bonds and debentures, equities, and pooled funds are designated as available-for-sale investments, unrealized gains and losses are included in Accumulated Other Comprehensive Income until they are realized. Impairments of investments that are determined to be other than temporary are charged against income immediately. The Board recognizes interest as earned, dividends when declared, pooled fund revenue when a distribution is declared, and investment gains and losses when realized. Interest is recognized over the term of the bond or debenture using the effective interest method and includes amortization of any premium or discount recognized at the date of purchase.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost and are amortized on a straight-line basis over their estimated useful lives. The estimated useful lives of the assets are as follows:

Building	40 Years
Leasehold improvements	15 Years
Office furnishings	10 Years
Computer equipment	3-4 Years
Software development	3 Years

Premium Revenue

At the beginning of each year, an assessment is levied on employers by applying their industry assessment rate to their estimated payrolls. The assessment levy is receivable by instalments within the current year. At year-end, premium revenue is adjusted based on a review of the employers' actual payrolls. Premium revenue is impacted by discounts or surcharges which are applied to the employers' industry premium rate through the Board's Experience Rating Program.

Benefits Liabilities

The benefits liabilities are determined annually by an actuarial valuation which establishes the amount of this provision for future payments and the future cost of administering claims relating to claims incurred on or before December 31. The provision at December 31, 2008 has been determined by estimating future benefits payments in accordance with the Board's administrative policies and practices in effect at December 31, 2008.

Benefits liabilities do not include any provision for payment of claims relating to the Government of Canada, as they are a self-insured employer. Also, no provision has been made for future claims relating to occupational diseases and injuries that are not currently considered to be work-related.

Annuity Fund Payable

The annuity fund is established pursuant to sections 74 and 83 of the Act. Where compensation is paid for a period exceeding twenty-four consecutive months, an additional amount equal to 10% of eligible benefits paid is set aside in the fund to compensate injured workers and dependent spouses for the loss of retirement income due to a workplace injury. The fund earns interest based on an internally calculated rate of return. At age 65 the client must provide direction to the Board for the disposition of these funds.

All future costs, excluding interest, are provided for as part of benefits liabilities.

Foreign Currency Translation

Transactions denominated in foreign currency are translated into Canadian dollars at the exchange rate in effect at the date of the transaction. Foreign currency gains and losses derived from investments are recorded in the same manner as other investment gains and losses.

Employee Future Benefit Plans

The Board provides a defined benefit pension plan and a defined contribution pension plan that provide retirement benefits for its employees.

For the defined benefit plan, the cost of pensions and other retirement benefits earned by employees is determined using the projected benefit method pro rated on service and management's best estimate of expected plan investment performance, salary escalation, retirement ages of employees and future pension indexing. The discount rate used to determine the accrued benefit obligation is determined with reference to market interest rates at the measurement date on high-quality debt instruments with cash flows that match the timing and amount of expected benefit payments. For purposes of calculating the expected return on plan assets, those assets are valued at fair value. The excess of the net actuarial gain (loss) over 10% of the greater of the benefit obligation and the fair value of the plan assets is amortized over the average remaining service life of active employees. The net transitional asset, calculated on the adoption of the change in accounting standards for employee future benefit plans, is being amortized over the average remaining service life. Pensions will be increased annually by the lesser of 2.50% or 50% of the Consumer Price Index in the immediately preceding year.

For the defined contribution plan, employee contributions are matched by the Board and expensed in the period made.

Accumulated Other Comprehensive Income

Accumulated Other Comprehensive Income records the accumulated unrealized gains and losses on available-for-sale investments held at the year-end date. The balance of this fund will not be considered in the determination of the funded status of the Board. In addition, this fund's balance will not be considered for determining premium rates or rebates and will not be considered as available for benefit enhancements.

Future Accounting Policy Changes

The CICA has issued a new accounting standard that will become effective for the Board on January 1, 2009. This standard is Handbook Section 3064, Goodwill and Intangible Assets (Section 3064). Section 3064 establishes standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets. This new section will result in Software Development costs being disclosed separately from Property, Plant and Equipment but will not have a significant impact on the Board's operating results.

In February 2008, the Canadian Accounting Standards Board confirmed that the changeover date for the adoption of International Financial Reporting Standards (IFRS) will be January 1, 2011. The Board plans to adopt IFRS on January 1, 2011 and has established an IFRS committee to analyse transition issues and identify IFRS accounting policy choices and has also provided for training of key employees. The final impact of IFRS on the Board's financial statements is not known at this time.

3. Cash and Cash Equivalents:

(thousands of dollars)

	2008	2007
Notes and commercial paper	$ 57,416	$ 50,083
Cash in bank, net of outstanding cheques	(1,073)	1,205
	$ 56,343	$ 51,288

The effective interest rates on the notes and commercial paper are .8% to 1.6% (2007 - 3.8% to 4.7%).

4. Receivables:

(thousands of dollars)

	2008	2007
Premiums	$ 18,789	$ 16,218
Accrued interest	4,270	4,773
Interprovincial claims	1,575	2,726
Accrued investment sales	1,127	707
Other	3,722	3,455
	$ 29,483	$ 27,879
Allowance for doubtful accounts	(3,763)	(3,189)
	$ 25,720	$ 24,690

Premiums receivable includes an estimate of $9,180 (2007 - $8,448) for premium revenue to be assessed when employers submit their final insurable earnings information for 2008. The recorded amounts are based upon management's best estimate and judgment, having regard to actual experience in preceding years.

Accrued investment sales represent transactions traded in December, 2008 but not settled until January, 2009.

The allowance for doubtful accounts is a provision for potential credit losses and amounts are subsequently written off once reasonable collection efforts have been made. The allowance details are as follows:

(thousands of dollars)

	2008	2007
BALANCE, beginning of year	$ 3,189	$ 1,872
Amounts written off	(841)	(1,213)
Current provision	1,415	2,530
BALANCE, end of year	$ 3,763	$ 3,189

The aging of receivables is as follows:

(thousands of dollars)

	2008	2007
Less than 60 days	$ 18,345	$ 16,524
60 to 180 days	3,234	4,138
181 to 365 days	2,073	2,752
Greater than 1 year	5,831	4,465
BALANCE, end of year	$ 29,483	$ 27,879

5. Investments:

a) The carrying value of investments is as follows:

(thousands of dollars)

	2008	2007
Bonds and debentures	$ 356,800	$ 425,727
Equities	352,667	394,574
Pooled equity funds	236,502	305,312
Real estate	98,195	95,468
Short-term holdings	18,627	56,926
	$ 1,062,791	$ 1,278,009

Details of significant terms and conditions, exposures to interest rate and credit risks on investments are as follows:

(i) Bonds and debentures

(thousands of dollars)

	Term to Maturity (years)	Carrying Value	2008 Average Effective Yield	Carrying Value	2007 Average Effective Yield
Government of Canada Securities					
	Less Than 1	**$ 14,771**	**3.70%**	$ –	–
	1 - 5	**391**	**3.30%**	71,301	3.94%
	6 - 10	**402**	**3.80%**	–	–
	Over 10	**4,792**	**3.90%**	37,727	4.37%
Provincial Securities					
	Less Than 1	**–**	**–**	–	–
	1 - 5	**26,443**	**5.20%**	17,934	3.98%
	6 - 10	**26,688**	**4.59%**	36,088	4.57%
	Over 10	**65,018**	**5.06%**	68,523	4.98%
Corporate Securities					
	Less Than 1	**11,795**	**4.28%**	2,669	4.02%
	1 - 5	**107,835**	**4.60%**	121,796	4.61%
	6 - 10	**54,724**	**5.34%**	38,194	4.77%
	Over 10	**43,941**	**6.42%**	31,495	5.30%
Total		**$ 356,800**		$ 425,727	

(ii) Equities and pooled equity funds:

The Board's investments in equities and pooled equity funds have no fixed maturity dates and are generally not exposed to interest rate risk.

The Board's equity investments includes foreign equities of $90,253,000 (2007 - $80,152,000)

The Board has an investment in a pooled equity fund for Europe, Asia and the Far East with a carrying value of $65,163,000 (2007 - $77,106,000). The Board also has an investment in a pooled global equity fund with a carrying value of $121,504,000 (2007 - $171,725,000) and investment of $49,835,000 (2007 - $56,481,000) in a Canadian Equity Small Cap fund.

(iii) Real estate:

All of the Board's real estate holdings are in Canadian commercial property and have a total estimated fair value of $139,087,000 (2007 - $130,833,000) based on independent appraisals.

(iv) Short-term holdings:

Short-term holdings is comprised of treasury bills, notes and commercial paper with effective interest rates of 0.9% to 1.7% (2007 - 3.8% to 4.8%) and average term to maturity of 3.75 months (2007 - 6 months).

(v) Securities Lending

The Board's Statement of Investment Policies and Goals allows for securities to be lent to counterparties for the purposes of generating revenue in exchange for pledged collateral. Acceptable collateral includes cash, readily marketable government bonds, treasury bills, letters of credit, discount notes and banker's acceptances of Canadian chartered banks. In Canada, the current practice is to obtain collateral of at least 105% of the market value of the securities lent.

At December 31, 2008 the Board had $85,740,000 (2007 - $197,997,000) in equities, bonds and debentures and short term investments on loan to various counterparties. At December 31, 2008 the total amount of collateral pledged to the Board amounted to $91,142,000 (2007 - $212,850,000).

b) Investment Income

Net investment income was derived from the following sources:

(thousands of dollars)

	2008	2007
Cash and cash equivalents	**$ 1,686**	$ 2,957
Bonds and debentures	**24,774**	24,951
Equities	**(142)**	84,348
Pooled equity funds	**8,316**	30,581
Real estate	**8,817**	9,793
Short-term holdings	**1,814**	2,051
Investment expenses	**(2,741)**	(2,809)
Investment write downs	**(20,563)**	(2,704)
	$ 21,961	$ 149,168

At December 31, the Board conducts a review to identify and evaluate investments that show indications of impairment. An investment is considered impaired if its fair value falls below its cost, and a write down is recorded in investment income when the decline is considered other than temporary. Factors considered in determining whether a loss is temporary include the length of time and extent to which fair value has been below cost, financial condition and near-term prospects of the issuer, and the ability to hold the investment for a period of time sufficient to allow for any anticipated recovery.

c) Financial Risk Management

The Board is exposed to certain financial risks related to its investments. These financial risks are managed by having a Statement of Investment Policies and Goals (SIP&G) that provides guidelines to the investment managers for the asset mix of the portfolio regarding quality and quantity of investments using a prudent person approach. The asset mix helps reduce the impact of market fluctuations by requiring investments in different asset classes and in domestic and foreign markets. The Board of Directors reviews annually the SIP&G and receives regular reporting from the investment manager and custodian regarding compliance with the SIP&G.

Market Risk

The Board invests in publicly traded equities and bonds available on domestic and foreign exchanges and in privately traded pooled equity funds. These securities are affected by market changes and fluctuations. The Board does not use derivative financial instruments to alter the effects of these market changes and fluctuations. In the SIP&G, the Board limits its investment concentration in any one investee or related group of investees to 10% of the investee's share capital. In addition, no one holding can represent more than 10% of the fair value of the Board's equity portfolio. Investment

in pooled funds shall not exceed 10% of the fair value of that pooled fund unless provision has been made to transfer assets out of the fund in kind. Within bonds and debentures, there shall be no holdings from one issuer, other than the Government of Canada or a Canadian province, over 10% of the market value of the bond investment portfolio.

The following table indicates the approximate change that would be expected to other comprehensive income based on changes in the Board's benchmark indices at December 31, 2008:

(thousands of dollars)

Change in Equity Benchmarks	10% Change
S&P/TSX Composite Index	$ 26,241
S&P 500 Index	9,025
MSCI EAFE Index	6,516
World (ex-Canada) Index	12,150
BMO Small Cap Index	4,983

Credit Risk

Credit risk on financial instruments arises from the possibility that the issuer of a fixed-term instrument may fail to meet its obligations. The Board's credit risk arises primarily from cash equivalents, receivables, accrued interest and fixed term investments. The maximum credit exposure related to these financial instruments is $448,700,000 (2007 - $508,420,000) which is managed through the minimum quality standards for investments set in the Board's SIP&G. The SIP&G allows for a maximum of 15% to be invested in BBB rated bonds and the remainder of the bonds must be rated A or higher. For cash equivalents, the minimum quality standard is R-1. The Board does not anticipate that any issuers will fail to meet their obligations. A provision for credit losses in receivables is maintained in an allowance account that is periodically reviewed by the Board.

(thousands of dollars)

	2008		2007	
Credit Rating	Carrying Value	Percent of Portfolio	Carrying Value	Percent of Portfolio
AAA	$ 134,126	37.6%	$ 250,733	58.9%
AA	115,300	32.3%	104,829	24.6%
A	92,222	25.9%	64,785	15.2%
BBB	15,152	4.2%	5,380	1.3%
	$ 356,800		$ 425,727	

Interest Rate Risk

The Board is exposed to fluctuations in interest rates that can impact the fair value of its bonds and debentures. Interest rate risk is minimized by managing the duration of the bonds and debentures within predetermined prudent policy limits. Duration is a measure used to estimate the extent market values of bonds and debentures change with a change in interest rates. Using this measure, it is estimated that a 1% increase in interest rates would decrease other comprehensive income by approximately $21,337,000 at December 31, 2008, representing 5.98% of the $356,800,000 fair value of bonds and debentures.

Foreign Exchange Risk

The Board has certain investments denominated in foreign currencies. During 2008 the Board did not undertake hedging strategies to mitigate currency risk of foreign equities and currency influenced short-term returns. In the SIP&G, the Board limits its holdings in foreign equities to 32% of the investment portfolio. As at December 31, 2008, the Board's holdings in foreign equities and pooled equity funds had a fair value of $276,919,000 (2007 - $323,780,000) representing 23.8% (2007 - 23.7%) of the fair value of the total investment portfolio, including cash equivalents. At December 31, 2008, it is estimated that a 10% appreciation in the Canadian dollar versus the U.S. dollar and the EAFE currencies would result in an increase in other comprehensive income of approximately $27,692,000.

d) Unrealized Loss Positions

The following table presents available-for-sale investments with unrealized losses at December 31, 2008 where the decline is considered temporary. The unrealized losses are recorded as a component of accumulated other comprehensive income.

(thousands of dollars)

	2008		2007	
	Fair Value	**Unrealized Losses**	Fair Value	Unrealized Losses
Bonds and debentures	**$ 162,485**	**$ (9,417)**	$ 138,563	$ (3,713)
Equities	**202,537**	**(54,249)**	86,656	(7,618)
Pooled equity funds	**236,502**	**(103,167)**	56,481	(3,107)
	$ 601,524	**$ (166,833)**	$ 281,700	$ (14,438)

As at December 31, 2008, the Board held investments whose cost exceeded their fair value by $166,833,000. The unrealized losses on the bonds and debentures arose primarily from changes in interest rates. For equities and pooled equity funds, unrealized losses are primarily the result of investment specific business environment factors related to the underlying equity investments.

6. Property, Plant and Equipment:

(thousands of dollars)

	Cost	Accumulated Amortization	2008 Net Book Value	2007 Net Book Value
Land	$ 1,375	$ –	$ 1,375	$ 1,375
Building	14,966	6,655	8,311	8,661
Leasehold improvements	7,689	3,544	4,145	3,053
Office furnishings	4,943	4,331	612	115
Computer equipment	13,202	12,449	753	848
Software development	34,236	32,327	1,909	1,501
	$ 76,411	$ 59,306	$ 17,105	$ 15,553

7. Other Assets:

(thousands of dollars)

	2008	2007
Net accrued pension benefit asset (note 14)	$ 8,589	$ 7,697
Prepaid expenses	175	223
	$ 8,764	$ 7,920

8. Payables and Accrued Liabilities:

(thousands of dollars)

	2008	2007
Occupational Health & Safety	$ 8,393	$ 8,034
Employee benefits liability	4,977	4,690
Premium refunds	4,979	2,834
Other payables	2,552	2,175
Worker's Advocate	709	686
Accrued investment purchases	–	279
	$ 21,610	$ 18,698

9. Benefits Liabilities and Claim Costs Expense:

Benefits liabilities represent an actuarially determined provision for future benefits payments and administration costs arising from both reported and unreported claims resulting from work related injuries that occurred on or before December 31, 2008. The fair value of the benefits liability can not be reliably determined.

Benefits liabilities are determined in accordance with standards established by the Canadian Institute of Actuaries. Future benefits payments have been discounted to their present value by applying a real interest rate of 3.5% per annum. The determination of the future benefits payments involves applying economic and actuarial assumptions and methods, based on past experience, modified for current trends. As these assumptions may change over time to respond to economic conditions or administrative policies and practices, it is possible that such changes could cause a material change to the actuarial present value of future benefits.

Long-term economic and actuarial assumptions and methods are reviewed annually, prior to the independent actuarial valuations. The following long-term economic assumptions were used in the actuarial valuation of the benefits liabilities.

	2008	2007
Inflation	**2.5%**	2.5%
Real future growth in gross wages	**1.0%**	1.0%
Real future increase in health care costs	**3.5%**	2.5%
Expected long-term rate of return on investments	**6.0%**	6.0%

Adjustments, if any, resulting from the continuous review of entitlements and experience or from changes in legislation and actuarial assumptions or methods are recorded in the current year as claim costs expense together with the actuarial cost of claims for reported and unreported work related injuries that occurred during the year.

Benefits Liabilities Continuance Schedule

(thousands of dollars)

	Short Term Disability	Long Term Disability	Survivor Benefits	Health Care	Vocational Rehabilitation	Future Benefits Administration	2008 Total	2007
BALANCE, beginning of year	$ 137,174	$ 488,821	$ 83,420	$ 174,946	$ 25,591	$ 45,310	$ 955,262	$ 933,200
ADD:								
Claim costs incurred:								
Current year injuries	62,390	30,570	4,616	57,952	3,644	9,289	168,461	151,106
Prior years' injuries	1,316	8,024	(2,241)	29,481	(1,341)	2,098	37,337	50,897
	63,706	38,594	2,375	87,433	2,303	11,387	205,798	202,003
DEDUCT:								
Claim payments made:								
Current year injuries	24,913	486	436	21,825	122	2,991	50,773	45,826
Prior years' injuries	38,586	46,121	9,810	35,265	3,724	7,236	140,742	134,115
	63,499	46,607	10,246	57,090	3,846	10,227	191,515	179,941
BALANCE, end of year	$ 137,381	$ 480,808	$ 75,549	$ 205,289	$ 24,048	$ 46,470	$ 969,545	$ 955,262

The table below shows the cash flows anticipated to pay benefits to existing claimants in future years. The estimated cash outflows are the present value of future amounts forecast to pay benefits and have been determined using the above long-term assumptions.

(thousands of dollars)

2009 - 2013	$ 461,231
2014 - 2018	225,414
2019 - 2023	128,633
2024 - 2028	73,371
2029 - 2033	39,434
2034 and beyond	41,462
	$ 969,545

The following is a reconciliation of the benefits liabilities:

(thousands of dollars)

	2008	2007
BALANCE, beginning of year	**$ 955,262**	$ 933,200
ADD:		
Change in actuarial assumptions	**18,815**	1,335
Provision for current year injuries	**168,461**	151,106
Provision for prior years' injuries		
Interest allocated	**53,095**	51,968
Prior years' claim cost experience lower than expected	**(47,846)**	(15,398)
Effect of actual cost of living adjustment higher than expected	**13,273**	12,992
	205,798	202,003
DEDUCT:		
Benefit payments	**181,288**	170,348
Claim adjudication expense	**10,227**	9,593
	191,515	179,941
BALANCE, end of year	**$ 969,545**	$ 955,262

Sensitivity of Actuarial Assumptions

The benefits liability is calculated based on actuarial assumptions. Changes in these assumptions can cause significant changes in the benefits liabilities. This sensitivity is illustrated for selected actuarial assumptions as follows.

The actuarial assumption most sensitive to change is the assumed investment return of 6.0 percent. The approximate impact of a 0.5 percent decrease in the assumed investment return results in a $32,202,000 increase in the benefits liabilities.

Health Care benefits liabilities are calculated assuming a future rate of escalation of health care costs of 6.0 percent per year. A 0.5 percent increase in the escalation factors used for future health care costs would increase benefits liabilities by approximately $10,574,000.

Calculation of the benefits liabilities for the loss of earnings benefit utilizes the Board's injured worker claim termination experience. A flat reduction of 5.0 percent in these termination rates would increase benefits liabilities by approximately $9,003,000.

Calculation of the benefits liabilities for long-term disability and survivor benefits was based on Saskatchewan mortality experience. A flat reduction of 5.0 percent in these mortality rates would increase benefits liabilities by approximately $1,893,000.

10. Annuity Fund Payable:

(thousands of dollars)

		2008		2007
BALANCE, beginning of year	$	155,915	$	141,254
ADD: Contributions				
Principal		5,679		5,464
Interest		4,997		15,450
		10,676		20,914
DEDUCT: Payouts				
Principal		2,954		2,612
Interest		4,716		3,641
		7,670		6,253
BALANCE, end of year	$	158,921	$	155,915

The table below shows the cash flows anticipated to pay annuity funds to existing claimants in future years. The estimated cash outflows have been determined based on the age of the claimants that existed at December 31, 2008.

(thousands of dollars)

2009 - 2013	$	29,527
2014 - 2018		35,633
2019 - 2023		37,455
2024 - 2028		33,173
2029 - 2033		12,813
2034 and beyond		10,320
	$	158,921

Due to the nature of the annuity fund payable, its carrying value at December 31 is equal to its fair value.

11. Premiums:

(thousands of dollars)

	2008	2007
Premiums	**$ 246,076**	$ 242,590
Experience Rating Program – Discounts	**(21,815)**	(21,473)
Experience Rating Program – Surcharges	**19,838**	18,746
Industry safety associations	**(5,085)**	(3,912)
	239,014	$ 235,951

The Board levies an additional premium on certain industry groups to collect funds which are used to fund the safety associations representing those industries. In 2008, funds were collected on behalf of and disbursed to the Saskatchewan Forest Industries Safety Association Inc., Heavy Construction Safety Association of Saskatchewan Inc., Saskatchewan Construction Safety Association Inc., Service & Hospitality Safety Association of Saskatchewan Inc., Prairie Implement Manufacturers Association, Saskatchewan Association of Health Organizations, C6 Safety Association of Saskatchewan Inc. and Saskatchewan Meat Industry Safety Association.

The Government of Canada is a self-insured employer whose claims are administered by the Board. The Government reimburses the Board for all claims paid out on their behalf plus an administration fee. Gross premiums reported are net of amounts received from the Government of Canada and accordingly claim costs do not include self-insured claims. Monies paid to the Board for reimbursement of these claims are reflected in the Statement of Cash Flows as cash received from premiums and monies paid out relating to these claims are recorded as cash paid out to claimants or third parties on their behalf. The total Government of Canada self-insured claim costs in 2008 were $4,266,000 (2007 - $4,076,000).

The Experience Rating Program was introduced to provide an incentive for employers to emphasize safety and injury prevention in the workplace. Based on an analysis of an employer's claim history over a three year period, the experience rate is calculated at the same time as annual rates and applied to the employer's base industry premium rate for the following year. Employers may receive discounts off their premiums for good claims records or may be surcharged for their poor claims records.

12. Reserves:

(thousands of dollars)

				2008	2007
	Disaster Reserve	Occupational Disease Reserve	Second Injury & Re-employment	Total	Total
BALANCE, beginning of year	$ 19,105	$ 28,658	$ 9,553	$ 57,316	$ 30,975
Appropriation from Injury Fund	286	428	143	857	26,341
Appropriation to fund cost relief for employers	12,035	–	10,554	22,589	29,704
Allocations for cost relief for employers	(12,035)	–	(10,554)	(22,589)	(29,704)
BALANCE, end of year	$ 19,391	$ 29,086	$ 9,695	$ 58,173	$ 57,316

To maintain a funded status that is consistent with the statutory requirements of the Act, the Board has a funding policy that determines the extent of reserves to be held. The current funding policy, approved December 2007, maintains the following reserves and specifies that they be determined based on the current benefits liabilities.

(a) The Disaster Reserve will provide all employers with cost relief in the event of a disaster and will cover potential volatility in rare but very severe disasters as well as less severe disasters that meet the requirements of the Act. In total, the funding policy specifies two percent of benefits liabilities for this reserve.

(b) The Occupational Disease Reserve will cover costs that may arise from latent occupational diseases where exposure today may result in the establishment of a future claim. The funding policy specifies a rate of three percent of benefits liabilities for this reserve.

(c) The Second Injury and Re-employment Reserve will provide employers with cost relief on claims that were attributed to an earlier injury and to assist in facilitating return to work through retraining. The funding policy specifies one percent of benefit liabilties for this reserve.

13. Ministry of Advanced Education, Employment and Labour:

Section 117(g), (h) and (i) of the Act allows the Board to expend monies for the cost of administration of the industrial safety program; the expenses, including salaries and remuneration, of the office of the Workers' Advocate; and the expenses of any Committee of Review established under the Act.

(thousands of dollars)

		2008		2007
Occupational Health & Safety	$	8,393	$	8,034
Workers' Advocate		709		686
Committee of Review		–		177
	$	9,102	$	8,897

14. Employee Future Benefits:

The Board sponsors defined benefit and defined contribution pension arrangements covering all employees. The Board uses actuarial reports prepared by an independent actuary for accounting purposes. The net defined benefit plan revenue is based on an extrapolation of the results revealed in the most recent actuarial valuation of the pension plan as at December 31, 2006. The following significant actuarial assumptions were employed to determine the periodic pension revenue and accrued benefit obligations:

(thousands of dollars)

	2008	2007
Expected long-term rate of return on plan assets	6.75%	5.25%
Discount rate	6.75%	5.25%
Average rate of compensation increase	3.25%	3.25%
Average remaining service period	2.36 years	2.86 years
Inflation	2.25%	2.25%

Net benefit plan revenue is as follows:

(thousands of dollars)

		2008		2007
Current service cost – defined benefit	$	318	$	318
Interest cost		1,676		1,626
Expected return on plan assets		(2,007)		(2,001)
Amortization of net transitional asset		(878)		(878)
Net benefit plan revenue	$	(891)	$	(935)

Information about the Board's defined pension benefit plan is as follows:

(thousands of dollars)

		2008		2007
Accrued benefit obligation				
Accrued benefit obligation, beginning of year	**$**	**32,260**	$	31,243
Current service cost – employer share		**318**		318
Current service cost – employee share		**89**		109
Interest cost		**1,676**		1,626
Actuarial (gain) loss		**–**		1,274
Change in actuarial assumptions		**(4,615)**		(921)
Benefits paid		**(1,492)**		(1,389)
Accrued benefit obligation, end of year	**$**	**28,236**	$	32,260
Plan Assets				
Fair value of plan assets, beginning of year	**$**	**38,923**	$	38,751
Expected return on plan assets		**2,007**		2,001
Employer contributions		**–**		–
Employee contributions		**89**		109
Benefits paid		**(1,492)**		(1,389)
Actuarial loss		**(7,583)**		(549)
Fair value of plan assets, end of year	**$**	**31,944**	$	38,923
Plan surplus		**3,708**	$	6,663
Unamortized net actuarial loss		**6,330**		3,362
Unamortized net transitional asset		**(1,449)**		(2,328)
Net accrued pension benefit asset	**$**	**8,589**	$	7,697

The asset allocation of the defined benefit pension plan assets is as follows:

Asset Category	Target Range	Percent of Plan Assets 2008	2007
Short term investments	0 – 30%	4%	9%
Bonds and debentures	30 – 60%	45%	42%
Canadian equities	10 – 40%	24%	25%
Foreign equities	10 – 35%	27%	24%
Mortgages	0 – 5%	0%	0%

The Board also has employees who are members of a defined contribution plan. The Board's financial liability is limited to matching employee contributions of seven percent to the plan. During the year, the Board incurred costs of $1,761,000 (2007 - $1,618,000) related to its defined contribution plan.

15. Related Party Transactions:

Included in these financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to the Board by virtue of common influence by the Government of Saskatchewan.

Routine operating transactions with related parties are settled at prevailing market prices under normal trade terms.

These transactions, and amounts outstanding at year-end, are as follows:

(thousands of dollars)

	2008	2007
Premium revenue	$ 46,514	$ 48,653
Claims costs	12,439	14,441
Investments	10,354	3,489
Payables and accrued liabilities	9,224	8,970
Administration expenses	1,194	1,218
Investment income	485	533
Receivables	112	98

16. Contingencies:

Due to the size, complexity and nature of the Board's operations, various legal matters are pending. In the opinion of management, these matters will not have a material effect on the Board's financial position or results of operations.

17. Capital Management:

The Boards objectives when managing capital are to build Funded Position that supports the long-term financial stability of the Board and to ensure sufficient funds are available to meet required benefit levels and reduce the fluctuations in the average premium rate.

The process for managing the Board's Funded Position is determined based on its approved funding policy. The funding policy, which was last updated in 2007, establishes guidelines for the maintenance of a fully funded status.

The Board monitors its funded status on the basis of its funding percentage which is calculated as the balance in the Injury Fund divided by the Benefit Liabilities of the Board. The funding policy has set a funding percentage target range for the Injury Fund of 5% to 20% of Benefit Liabilities.

The funding percentages at December 31 were as follows:

(thousands of dollars)

	2008	2007
Injury Fund	$ 109,023	$ 98,993
Benefit Liabilities	$ 969,545	$ 955,262
Funding Percentage	11.2%	10.4%

18. Fair Value of Financial Assets and Liabilities:

The fair value of financial assets and liabilities other than investments (note 5), benefit liabilities (note 9), and annuity fund payable (note 10) approximates carrying value due to their medium or short term nature.

19. Comparative Figures:

Certain comparative figures have been reclassified to conform to the current year's presentation.

SCHEDULE 1 – ADMINISTRATION EXPENSES

(thousands of dollars)

	2008	2007
Salaries and employee benefits	$ 30,819	$ 29,090
Amortization of property, plant and equipment	3,087	3,040
WorkSafe Saskatchewan	1,329	1,440
Building operations	1,308	1,272
Computer processing	1,142	875
Communications and postage	994	943
Travel and automobile expenses	851	833
Printing, stationery and office expenses	700	694
Consulting services	646	553
Office rental	589	428
Professional services	531	440
Advertising	182	184
Market research	173	102
Community relations	156	113
Miscellaneous	69	213
	42,576	40,220
Less:		
Assessment penalties	1,093	785
Fees charged to self-insurers	1,065	1,056
	40,418	38,379
Less:		
Administration costs charged to Future Benefits		
Administration (note 9)	10,227	9,593
	$ 30,191	$ 28,786

EXHIBIT 1: STATEMENT OF INVESTMENTS

(Thousands of dollars)

Security	Par Value	Carrying Value
Discount Notes and Treasury Bills (maturity greater than 90 days)	$ 18,702	$ 18,627
Government of Canada	19,060	20,356
55 School Board Trust	1,422	1,521
Alberta Capital Fin Authority	4,721	4,624
Alberta Treasury Branches Debentures	1,641	1,707
Municipal Finance Authority British Columbia	11,405	11,624
Ontario Infrastructure	3,830	3,816
Ontrea Inc.	3,447	3,681
Province of British Columbia	9,058	11,117
Province of Manitoba	6,514	6,625
Province of New Brunswick	8,495	8,743
Province of Newfoundland & Labrador	6,019	5,858
Province of Nova Scotia	5,587	6,050
Province of Ontario	19,394	21,462
Province of Quebec	19,104	20,967
Province of Saskatchewan	9,561	10,354
407 International	3,230	3,263
Aeroports De Montreal	731	706
Alliance Pipeline	1,607	1,665
Bank of Montreal	8,279	8,148
Bank of Nova Scotia	13,208	13,216
BC Ferry Services Inc.	2,420	2,160
Bell Alliant Regional Communications	2,873	2,580
Borealis Infrastructure Trust	2,498	2,631
Broadway Credit Card Trust	1,328	1,343
Canada Housing Trust	30,529	31,666
Canadian Imperial Bank of Commerce	8,140	7,874
Cards II Trust	1,096	1,110
Citigroup Inc.	3,335	2,666
Column Canada	1,006	1,052
CU Inc.	1,082	951
Epcore Utilities	5,136	4,401
Farm Credit Canada	9,497	9,637
Finning Int'l Inc.	1,795	1,637
Fortisalberta Inc.	1,117	1,023
GE Capital Canada Funding Co.	8,153	7,405
Genesis Trust Power Line of Credit	1,853	1,839
Glacier Credit Card Trust	1,294	1,284
Greater Toronto Airports Auth.	7,215	7,187
Great West Lifeco Inc.	963	755
Honda Canada Finance Inc.	3,916	3,777
HSBC Financial Corp. Ltd.	2,248	2,229
Hydro One Inc.	7,063	7,131
Hydro-Quebec	1,846	2,882
Int'l Bk Reconstr. & Dev.	3,925	4,165
Investors Group Inc.	1,917	2,001
John Deere Capital Corp.	3,037	2,951
Manitoba Telecom Services	1,245	1,214
Manulife Financial Corp.	1,923	1,801
Merrill Lynch	6,544	6,499
MetLife Global Funding	2,952	2,841
N - 45 Degrees Ist CMBS Iss Corp.	834	831
National Bank of Canada	3,667	3,240
Nederlandse Gemeeten Nv Bank	2,909	2,994
New York Life NY Global FDG	1,737	1,766
PSP Capital Inc.	3,918	4,015
Royal Bank of Canada	12,544	12,499
Royal Office Finance	7,499	7,416

(Thousands of dollars)

Security	Par Value	Carrying Value
Sun Life Financial	4,291	3,748
TCHC Issuer Trust	1,033	972
TD Capital	3,288	2,861
Telus Corp.	3,459	3,351
Terasen Gas	1,593	1,369
Thompson Corp.	1,095	1,036
Thompson Reuters	1,620	1,555
Toronto Dominion Bank	9,542	8,810
Transcanada Pipelines Ltd.	1,180	1,211
Wells Fargo Financial Canada Corp.	4,197	4,098
Woodbridge Finance	1,258	1,296
Templeton Global Equity Trust		121,504
Greystone EAFE Plus Fund		65,163
Greystone Canadian Equity Small Cap Fund		49,835
Agrium Inc.		4,999
Bank of Nova Scotia		11,137
Barrick Gold Corp.		11,511
BCE Inc.		10,779
Bombardier Inc.		5,748
Brookfield Asset Mgt.		3,711
CAE Inc.		3,203
Canadian Natural Resources Ltd.		12,256
CGI Group Inc.		4,657
Encana Corporation		12,827
Ensign Energy Services Inc.		2,433
Finning Int'l Inc.		3,040
Groupe Aeroplan Inc.		2,706
Manulife Financial Corp. (MFC)		8,844
Manulife Financial Corp. (MFC.PI)		5,242
Metro Inc.		2,551
Nexen Inc.		11,825
Open Text Corporation		4,767
Petrobank Energy and Resources Ltd.		3,917
Potash Corp of Saskatchewan Inc.		12,682
Power Corp. of Canada		8,799
Research In Motion Ltd.		7,688
Rogers Communications Inc.		10,239
Royal Bank of Canada		8,352
Saputo Inc.		3,955
Shaw Communications Inc.		7,089
Shoppers Drug Mart Corp.		10,968
Sino-Forest Corp.		2,708
SNC-Lavalin Group Inc.		8,142
Talisman Energy Inc.		6,324
Thompson Reuters		2,375
Toronto Dominion Bank		16,269
Transalta Corp.		6,603
Transcanada Corp.		12,930
Tristar Oil & Gas Ltd.		3,823
Viterra Inc.		4,269
WestJet Airlines Ltd.		2,846
Abbott Laboratories		2,669
Accenture Ltd. Bermuda		2,302
Aflac Inc.		2,841
Apollo Group, Inc.		1,465
Apple Inc.		1,454
Bank of New York Mellon Corp.		1,598
Baxter Int'l Inc.		1,869

(thousands of dollars)

Security	Par Value	Carrying Value
Berkley Corp.		1,709
Chevron Corp.		2,815
Cisco Systems, Inc.		1,887
Deere & Company		1,594
Emerson Electric Co.		1,397
Express Scripts, Inc.		2,053
Franklin Resources Inc.		1,446
Genentech Inc.		1,882
General Mills		2,102
Gilead Sciences, Inc.		3,084
H. J. Heinz Co.		2,612
Halliburton		1,204
Honeywell International Inc.		1,856
International Business Machines Corp.		2,750
Kroger Co.		3,272
Lockheed Martin Corp.		2,748
McDonald's Corp.		3,675
Microsoft Corp.		2,001
Monsanto Co.		1,819
Nike		2,385
Nucor Corp.		1,032
Occidental Pete Corp.		1,573
Oceaneering International Inc.		743
Oracle Corp.		2,706
Peabody Energy Corp.		1,069
Pepsico Inc.		2,274
Praxair Inc.		1,643
Procter & Gamble Co.		2,135
Qualcomm Inc.		2,179
Tim Hortons Inc.		6,953
Transocean Ltd.		1,139
Transocean ORD		651
Ultra Petroleum Corp.		1,034
Wal-Mart Stores, Inc.		4,173
WR Equities Scotia		3,257
WR Equities 505 3rd Street		1,161
Wireless Way Equities Inc.		659
Westside Equities Inc.		1,008
Westhills Calgary		1,138
West Island Equities		2,798
Victoria Gate		649
University Equities		1,565
Twin Equities Inc. Alberta		1,222
Tilbury Island Equities		943
TV Equities		2,122
Sunrise Town Square		794
St. Martin Equities		1,040
Southed Equities Inc.		2,915
Skyview Power Centre		2,894
Silver Seven Equities		6,659
Shoppers World		1,254
Sherwin Road Industrial Park		826
Seven Oaks Equities Inc.		1,462
Rutherford Properties Ltd.		2,961
Rodick Equities Inc.		2,048
Ravine Equities Inc.		2,599
Quance Equities Inc.		1,004
Portland Street		1,702

(thousands of dollars)

Security	Par Value	Carrying Value
PFR Voting Class A		1
Peregrine - Westview Manitoba		271
Peregrine - Waverley		355
Peregrine - Broadway		1,432
Peregrine - Airport Equities Ltd.		404
Milton Lands		443
Marine Drive		706
KS Equities No. 3		1,348
KS Equities Inc.		812
Key West		2,298
Kennedy Corporate		742
IPSCO Land Development		1,902
Hewlett - Packard		4,396
Great Plains Industrial Alberta		739
GMPI - Wagon Wheel		174
GMPI - Mt. Lehman		309
GMPI - Kitchener		209
Glenwood Estates		2,781
FP Equities Inc.		1,312
Explorer Drive		3,832
Eskimo Equities Inc.		367
Discovery Place B.C.		1,617
Crossroads Shopping Centre		531
Cordova Equities Inc.		284
Commerce Valley Office		1,666
Colebrook 152 Holdings Inc.		2,059
Carrefour Lachenaie		2,119
Broadway Equities Inc.		1,156
Bridgeport Road Equities Inc.		1,332
Brampton Business Park		2,570
Bramalea City Centre		1,820
ASET Properties Inc.		3,063
Airways III		978
7835 Mississauga Road Ontario		636
50 Bloor Street West		3,134
410 & 7 Equities Inc.		2,765
3100 Production Way		2,922
	$ 370,164	$ 1,062,791

(thousands of dollars)

Security	Par Value	Carrying Value
Discount Notes and Treasury Bills (maturity greater than 90 days)	$ 18,702	$ 18,627
Government of Canada Bonds	19,060	20,356
Provincial Government Bonds	110,198	118,149
Corporate Bonds	222,204	218,295
	351,462	356,800
Templeton Global Equity Trust		121,504
Greystone EAFE Plus Fund		65,163
Greystone Canadian Equity Small Cap Fund		49,835
Canadian Equities		262,414
American Equities		90,253
		589,169
Real Estate (at carrying amount)	-	98,195
	$ 370,164	$ 1,062,791

EXHIBIT 2: STATEMENT OF LONG-TERM INVESTMENT DISPOSITIONS

Interest Rate %	Security	Maturity Date	Proceeds
	Discount Notes and Treasury Bills (classified as long term investments)		$ 390,778
	08133332 BC Ltd.	Canadian Equity	1,355
	Aeroplan Income Fund	Canadian Equity	5,092
	AGF Management	Canadian Equity	1,824
	Agrium Inc.	Canadian Equity	4,349
	Airways III	Canadian Equity	1,692
4.650	Alberta Capital Fin Authority	June 15, 2017	1,508
7.181	Alliance Pipeline	June 30, 2023	62
	Apple Inc.	U.S. Equity	284
	Applied Materials, Inc.	U.S. Equity	763
	AT&T Inc.	U.S. Equity	2,150
	Bank of America Corp.	U.S. Equity	1,751
4.560	Bank of Nova Scotia	October 30, 2013	3,477
4.930	Bank of Nova Scotia	June 8, 2010	3,280
FR	Bank of Nova Scotia	May 6, 2009	2,447
FR	Bank of Nova Scotia	November 1, 2017	1,346
	Bank of Nova Scotia	Canadian Equity	3,422
	Barrick Gold Corp.	Canadian Equity	1,186
4.720	Bell Alliant Regional Communications	September 26, 2011	187
	Berkley Corp.	U.S. Equity	368
	Bridgeport Road Equties Inc.	Canadian Equity	669
	Brookfield Asset Mgt	Canadian Equity	1,499
	Brookfield Infrastructure Partners L.P.	Canadian Equity	121
	Brookfield Properties Corp.	Canadian Equity	591
	Bunge Ltd.	U.S. Equity	1,236
	CAE Inc.	Canadian Equity	466
	Cameco Corp.	Canadian Equity	6,239
3.550	Canada Housing Trust	June 15, 2010	12,081
3.600	Canada Housing Trust	June 15, 2013	38,915
4.000	Canada Housing Trust	June 15, 2012	26,613
4.600	Canada Housing Trust	September 15, 2011	21,871
4.650	Canada Housing Trust	September 15, 2009	15,093
FR	Canada Housing Trust	September 15, 2010	29,228
5.000	Canadian Imperial Bank of Commerce	September 10, 2012	1,142
	Canadian Imperial Bank of Commerce	Canadian Equity	9,406
	Canadian Natural Resources Ltd.	Canadian Equity	-1,077
	Canadian Pacific Railway Ltd.	Canadian Equity	8,910
	Canadian Tire Receivable Trust	Canadian Equity	2,330
	CGI Group Inc.	Canadian Equity	129
	Chevron Corp.	U.S. Equity	2,180
	Cisco Systems, Inc.	U.S. Equity	217
4.540	Citigroup Finance Canada Inc.	May 16, 2013	942
	CN Convention Centre	Canadian Equity	3,181
	Cordova Equities Inc.	Canadian Equity	641
	Corning Inc.	U.S. Equity	1,334
	Dell Inc.	U.S. Equity	1,026
	Denbury Resources inc.	U.S. Equity	1,239
	Duvernay Oil Corp.	Canadian Equity	7,365
	Emerson Electric Co.	U.S. Equity	805
	Encana Corporation	Canadian Equity	4,469
	Express Scripts, Inc.	U.S. Equity	594
	Exxon Mobil Corp.	U.S. Equity	3,832
	Finning Int'l Inc.	Canadian Equity	1,415
	FNX Mining Company Inc.	Canadian Equity	2,436
	FPL Group Inc.	U.S. Equity	2,435
	Freeport-McMoRan Copper & Gold Inc.	U.S. Equity	958
5.650	GE Capital Canada Funding Co.	October 23, 2009	779
	Gildan Activewear Inc.	Canadian Equity	3,954
	Gilead Sciences, Inc.	U.S. Equity	523
4.444	Glacier Credit Card Trust	November 20, 2008	2,685
5.027	Glacier Credit Card Trust	February 20, 2013	1,445
	Google Inc.	U.S. Equity	1,341
3.500	Government of Canada	June 1, 2013	10,853
3.750	Government of Canada	June 1, 2009	150,206
3.750	Government of Canada	June 1, 2012	17,135
4.000	Government of Canada	June 1, 2017	24,765
4.250	Government of Canada	June 1, 2018	31,569
5.000	Government of Canada	June 1, 2037	58,158
5.750	Government of Canada	June 1, 2033	24,371
	HudBay Minerals Inc.	Canadian Equity	1,460
	Husky Energy Inc.	Canadian Equity	12,881
5.300	John Deere Capital Corp.	June 27, 2012	1,091
	Jones Lang LaSalle	U.S. Equity	912
	Kellogg Co.	U.S. Equity	1,599
	KS Equities Inc.	Canadian Equity	1,525
	KS Equities No. 3	Canadian Equity	687
	MacDonald Dettwiler & Associates	Canadian Equity	2,088
	Magna International Inc.	Canadian Equity	4,283
	Manitowoc Company Inc.	U.S. Equity	1,060
	Manulife Financial Corp. (MFC)	Canadian Equity	5,461
	McDonald's Corp.	U.S. Equity	967
	Merck & Co., Inc.	U.S. Equity	1,707
	Microsoft Corp.	U.S. Equity	256
	Monsanto Co.	U.S. Equity	167
4.650	Municipal Finance Authority British Columbia	April 20, 2016	5,384
	Nexen Inc.	Canadian Equity	1,419
	Nortel Networks Corp.	Canadian Equity	2,313
	Occidental Pete Corp.	U.S. Equity	389
	Oceaneering International Inc.	U.S. Equity	317
	Omnicom Group Inc.	U.S. Equity	1,232
	Pan American Silver Corp.	Canadian Equity	3,627
	Pepsico Inc.	U.S. Equity	238
	Peregrine - Broadway	Canadian Equity	573
	Petrobank Energy and Resources Ltd.	Canadian Equity	817
	Petro-Canada	Canadian Equity	13,165
	Potash Corp of Saskatchewan Inc.	Canadian Equity	4,536
	Power Corp. of Canada	Canadian Equity	3,725
	Praxair Inc.	U.S. Equity	297
	Procter & Gamble Co.	U.S. Equity	215
4.700	Province of British Columbia	December 18, 2012	2,482

Interest Rate %	Security	Maturity Date	Proceeds
4.700	Province of British Columbia	December 1, 2017	3,609
4.700	Province of British Columbia	June 18, 2037	1,786
4.800	Province of British Columbia	June 15, 2021	473
5.700	Province of British Columbia	June 18, 2029	376
8.000	Province of British Columbia	September 8, 2023	593
5.500	Province of Manitoba	November 15, 2018	3,057
4.500	Province of New Brunswick	February 4, 2015	2,190
4.550	Province of New Brunswick	March 26, 2037	568
5.500	Province of New Brunswick	January 27, 2034	1,060
4.500	Province of Nova Scotia	June 1, 2013	576
4.200	Province of Ontario	March 8, 2018	5,364
4.300	Province of Ontario	March 8, 2017	4,642
4.500	Province of Ontario	December 2, 2012	2,966
4.700	Province of Ontario	June 2, 2037	1,633
4.750	Province of Ontario	June 2, 2013	5,822
5.500	Province of Ontario	June 2, 2018	3,125
6.500	Province of Ontario	March 8, 2029	565
FR	Province of Ontario	December 3, 2010	3,267
4.500	Province of Quebec	December 1, 2017	3,474
4.500	Province of Quebec	December 1, 2018	2,933
5.750	Province of Quebec	December 1, 2036	536
6.000	Province of Quebec	October 1, 2012	4,824
6.250	Province of Quebec	December 1, 2010	5,831
6.250	Province of Quebec	June 1, 2032	766
4.750	Province of Saskatchewan	June 1, 2040	435
	Qualcomm Inc	U.S. Equity	214
4.580	RBC Subordinated Notes Trust	April 30, 2027	2,691
	Research In Motion Ltd	Canadian Equity	6,093
	Rogers Communications Inc	Canadian Equity	4,915
	Royal Bank of Canada	Canadian Equity	12,456
5.209	Royal Office Finance	November 12, 2032	11
	Saputo Inc	Canadian Equity	444
	Schlumberger Ltd	U.S. Equity	1,514
	Seven Oaks Equities Inc	Canadian Equity	2,074
	Shaw Communications Inc	Canadian Equity	1,022
	Sherritt International Corp	Canadian Equity	2,227
	Shoppers Drug Mart Corp	Canadian Equity	2,482
	Sino-Forest Corp	Canadian Equity	597
	SNC-Lavalin Group Inc	Canadian Equity	1,654
	Suncor Energy Inc	Canadian Equity	13,771
	T.V. Equities	Canadian Equity	2,085
	Teck Cominco Ltd	Canadian Equity	2,604
	Thermo Fisher Scientific Inc	U.S. Equity	1,930
	Thompson Creek Metals Company Inc	Canadian Equity	1,459
	Tim Hortons Inc	U.S. Equity	1,721
4.854	Toronto Dominion Bank	February 13, 2013	1,981
5.141	Toronto Dominion Bank	November 19, 2012	1,778
FR	Toronto Dominion Bank	January 18, 2016	1,765
	Toronto Dominion Bank	Canadian Equity	5,873
	Transalta Corp	Canadian Equity	336
	Transcanada Corp	Canadian Equity	979
	Transocean ORD	U.S. Equity	2,622

Interest Rate %	Security	Maturity Date	Proceeds
	Twin Equities Inc. Alberta	Canadian Equity	312
	Unitedhealth Group Inc	U.S. Equity	1,850
	Valero Energy Corp	U.S. Equity	1,297
	Valero Energy Corp	U.S. Equity	1,297
	Viterra Inc	Canadian Equity	677
	Wachovia Corp	U.S. Equity	1,197
4.750	Wells Fargo Financial Canada Corp	June 29, 2009	1,285
	WestJet Airlines Ltd	Canadian Equity	294
	Wireless Wav Equities Inc	Canadian Equity	1,208
	Yamana Gold Inc	Canadian Equity	6,192
			$ 1,196,766

EXHIBIT 3: STATEMENT OF LONG-TERM INVESTMENT ACQUISITIONS

(Thousands of dollars)

Interest Rate %	Security	Maturity Date	Par Value	Purchase Value
	Discount Notes and Treasury Bills (classified as long term investments)			$ 352,478
	08133332 BC Ltd.	Canadian Equity		1,355
4.900	407 International	October 4, 2010	93	94
5.000	407 International	January 31, 2011	2,020	2,035
	410 & 7 Equities Inc.	Canadian Equity		160
	Abbott Laboratories	U.S. Equity		2,510
	Accenture Ltd. Bermuda	U.S. Equity		910
	Aeroplan Income Fund	Canadian Equity		2,042
	Aflac Inc.	U.S. Equity		1,361
	AGF Management	Canadian Equity		87
	Agnium Inc.	Canadian Equity		5,157
3.850	Alberta Treasury Branches Debentures	June 3, 2013	1,641	1,633
	Apollo Group, Inc.	U.S. Equity		1,422
	Apple Inc.	U.S. Equity		731
	Applied Materials, Inc.	U.S. Equity		801
	AT&T Inc.	U.S. Equity		270
4.690	Bank of Montreal	January 31, 2011	219	220
5.180	Bank of Montreal	June 10, 2015	1,722	1,722
5.450	Bank of Montreal	July 17, 2017	127	128
FR	Bank of Montreal	March 28, 2023	2,054	2,059
	Bank of New York Mellon Corp.	U.S. Equity		2,129
4.560	Bank of Nova Scotia	October 30, 2013	280	277
4.580	Bank of Nova Scotia	February 15, 2011	5,485	5,485
4.990	Bank of Nova Scotia	March 27, 2018	3,158	3,157
FR	Bank of Nova Scotia	May 6, 2009	3,500	3,500
FR	Bank of Nova Scotia	October 3, 2018	3,517	3,516
	Bank of Nova Scotia	Canadian Equity		6,154
	Barrick Gold Corp.	Canadian Equity		12,763
	Baxter Int'l Inc.	U.S. Equity		2,196
5.581	BC Ferry Services Inc.	January 11, 2038	1,171	1,171
	BCE Inc.	Canadian Equity		12,838
	Becton, Dickinson and Company	U.S. Equity		2,706
	Berkley Corp.	U.S. Equity		324
	Bombardier Inc.	Canadian Equity		9,299
6.270	Borealis Infrastructure Trust	May 3, 2011	192	201
	Bridgeport Road Equities Inc.	Canadian Equity		18
5.449	Broadway Credit Card Trust	June 17, 2013	1,328	1,328
	Brookfield Asset Mgt.	Canadian Equity		2,624
	Brookfield Infrastructure Partners L.P.	Canadian Equity		142
	Bunge Ltd.	U.S. Equity		1,598
	CAE Inc.	Canadian Equity		1,412
2.700	Canada Housing Trust	December 15, 2013	6,349	6,335
3.550	Canada Housing Trust	June 15, 2010	15,122	15,152
3.600	Canada Housing Trust	June 15, 2013	39,004	38,753
4.000	Canada Housing Trust	June 15, 2012	3,538	3,563
4.600	Canada Housing Trust	September 15, 2011	2,335	2,367
FR	Canada Housing Trust	September 15, 2010	37,593	37,690
FR	Canadian Imperial Bank of Commerce	September 9, 2015	152	149
FR	Canadian Imperial Bank of Commerce	March 28, 2016	288	285
FR	Canadian Imperial Bank of Commerce	June 6, 2018	2,411	2,407

(Thousands of dollars)

Interest Rate %	Security	Maturity Date	Par Value	Purchase Value
	Canadian Imperial Bank of Commerce	Canadian Equity		366
	Canadian Natural Resources Ltd.	Canadian Equity		15,334
	Canadian Pacific Railway Ltd.	Canadian Equity		4,879
	Canadian Tire Receivable Trust	Canadian Equity		189
4.379	Cards II Trust	October 15, 2009	84	84
	Carrefour Lachenaie	Canadian Equity		225
	CGI Group Inc.	Canadian Equity		5,454
	Chevron Corp.	U.S. Equity		3,251
	Cisco Systems, Inc.	U.S. Equity		927
5.500	Citigroup Inc.	May 21, 2013	2,140	2,137
	Colebrook 152 Holdings Inc.	Canadian Equity		413
	Corning Inc.	U.S. Equity		687
5.563	CU Inc.	May 26, 2028	1,082	1,082
	Deere & Company	U.S. Equity		900
	Denbury Resources Inc.	U.S. Equity		2,038
	Discovery Place B.C.	Canadian Equity		1,126
	Duvernay Oil Corp.	Canadian Equity		4,869
	Emerson Electric Co.	U.S. Equity		728
	Encana Corporation	Canadian Equity		21,293
	Ensign Energy Services Inc.	Canadian Equity		3,749
5.800	Epcore Utilities	January 31, 2018	2,914	2,902
6.650	Epcore Utilities	April 15, 2038	1,202	1,199
	Explorer Drive	Canadian Equity		236
	Express Scripts, Inc.	U.S. Equity		725
	Exxon Mobil Corp.	U.S. Equity		832
6.020	Finning Int'l Inc.	June 1, 2018	1,795	1,794
	Finning Int'l Inc.	Canadian Equity		1,597
	FNX Mining Company Inc.	Canadian Equity		335
	Fording Canadian Coal Trust	Canadian Equity		8,582
	FPL Group Inc.	U.S. Equity		666
	Franklin Resources Inc.	U.S. Equity		422
4.550	GE Capital Canada Funding Co.	January 17, 2017	1,038	968
4.750	GE Capital Canada Funding Co.	May 2, 2011	305	306
5.730	GE Capital Canada Funding Co.	October 22, 2037	1,707	1,659
	Genentech Inc.	U.S. Equity		1,691
	General Mills	U.S. Equity		2,177
4.245	Genesis Trust Power Line of Credit	September 15, 2011	142	139
	Gildan Activewear Inc.	Canadian Equity		961
	Gilead Sciences, Inc.	U.S. Equity		681
5.027	Glacier Credit Card Trust	February 20, 2013	2,748	2,746
	Glenwood Estates	Canadian Equity		1,315
	Google Inc.	U.S. Equity		161
3.500	Government of Canada	June 1, 2013	10,657	11,011
3.750	Government of Canada	June 1, 2009	92,286	93,280
3.750	Government of Canada	June 1, 2012	16,844	16,971
4.000	Government of Canada	June 1, 2017	24,104	24,415
4.250	Government of Canada	June 1, 2018	30,403	31,594
5.000	Government of Canada	June 1, 2037	42,017	48,775
5.260	Greater Toronto Airports Auth.	April 17, 2018	2,733	2,734
6.250	Greater Toronto Airports Auth.	January 30, 2012	639	676
6.250	Greater Toronto Airports Auth.	December 13, 2052	236	252
	Greystone Canadian Equity Small Cap Fund	Pooled Equity Fund		18,081
	Greystone EAFE Plus Fund	Pooled Equity Fund		17,218
	Groupe Aeroplan Inc.	Canadian Equity		5,494

Interest Rate %	Security	Maturity Date	Par Value	Purchase Value
	H. J. Heinz Co.	U.S. Equity		2,674
	Halliburton	U.S. Equity		2,501
5.076	Honda Canada Finance Inc.	May 9, 2013	2,804	2,801
	Honeywell International Inc.	U.S. Equity		774
	Husky Energy Inc.	Canadian Equity		2,660
4.080	Hydro One Inc.	March 3, 2011	2,048	2,047
5.000	Hydro One Inc.	November 12, 2013	1,566	1,564
5.180	Hydro One Inc.	October 18, 2017	1,526	1,566
11.000	Hydro-Quebec	August 15, 2020	1,846	2,974
	International Business Machines Corp.	U.S. Equity		1,386
	IPSCO Land Development	Canadian Equity		1,296
4.600	John Deere Capital Corp.	January 25, 2010	844	843
5.300	John Deere Capital Corp.	June 27, 2012	1,076	1,092
5.450	John Deere Capital Corp.	September 16, 2015	1,270	1,269
	Jones Lang LaSalle	U.S. Equity		725
	Kellogg Co.	U.S. Equity		167
	Kroger Co.	U.S. Equity		1,112
	KS Equities Inc.	Canadian Equity		106
	KS Equities No. 3	Canadian Equity		454
	Lockheed Martin Corp.	U.S. Equity		845
	MacDonald Dettwiler and Associates	Canadian Equity		295
	Magna International Inc.	Canadian Equity		311
	Manitowoc Company Inc.	U.S. Equity		898
5.161	Manulife Financial Corp.	June 26, 2015	1,923	1,923
	Manulife Financial Corp. (MFC)	Canadian Equity		8,240
	Manulife Financial Corp. (MFC.PR	Canadian Equity		4,898
	McDonald's Corp.	U.S. Equity		960
5.800	Merrill Lynch	May 5, 2011	1,201	1,199
	Metro Inc.	Canadian Equity		2,318
	Microsoft Corp.	U.S. Equity		1,419
	Monsanto Co.	U.S. Equity		1,030
4.600	Municipal Finance Authority British Columbia	April 23, 2018	3,166	3,154
4.800	Municipal Finance Authority British Columbia	December 1, 2017	5,160	5,202
5.100	Municipal Finance Authority British Columbia	November 20, 2018	3,079	3,068
4.700	New York Life NY Global FDG	April 20, 2011	133	133
	Nexen Inc.	Canadian Equity		10,263
	Nike	U.S. Equity		906
	Nortel Networks Corp.	Canadian Equity		121
	Nucor Corp.	U.S. Equity		962
	Occidental Petr Corp.	U.S. Equity		2,465
	Oceaneering International Inc.	U.S. Equity		465
	Omnicom Group Inc.	U.S. Equity		272
3.950	Ontario Infrastructure	June 3, 2013	1,970	1,967
	Open Text Corporation	Canadian Equity		4,486
	Oracle Corp.	U.S. Equity		1,252
	Pan American Silver Corp.	Canadian Equity		470
	Peabody Energy Corp.	U.S. Equity		1,715
	Pepsico Inc.	U.S. Equity		589
	Peregrine - Broadway	Canadian Equity		430
	Petrobank Energy and Resources Ltd.	Canadian Equity		5,550
	Petro-Canada	Canadian Equity		1,425

Interest Rate %	Security	Maturity Date	Par Value	Purchase Value
	Potash Corp of Saskatchewan Inc.	Canadian Equity		8,980
	Power Corp. of Canada	Canadian Equity		5,281
	Praxair Inc.	U.S. Equity		927
	Procter & Gamble Co.	U.S. Equity		553
4.250	Province of Manitoba	May 3, 2018	1,472	1,452
4.550	Province of New Brunswick	March 26, 2037	1,110	1,071
4.200	Province of Ontario	March 8, 2018	5,389	5,357
4.500	Province of Ontario	December 2, 2012	2,877	2,949
4.700	Province of Ontario	June 2, 2037	3,760	3,724
4.750	Province of Ontario	June 2, 2013	5,573	5,808
5.500	Province of Ontario	June 2, 2018	3,288	3,606
FR	Province of Ontario	December 3, 2010	3,298	3,289
4.500	Province of Quebec	December 1, 2018	4,710	4,720
5.500	Province of Quebec	December 1, 2014	5,853	6,296
5.750	Province of Quebec	December 1, 2036	1,468	1,642
6.000	Province of Quebec	October 1, 2012	2,892	3,149
4.650	Province of Saskatchewan	September 5, 2017	1,742	1,796
4.750	Province of Saskatchewan	June 1, 2040	3,801	3,798
5.000	Province of Saskatchewan	March 5, 2037	1,692	1,796
4.570	PSP Capital Inc.	December 9, 2013	3,918	3,918
	Qualcomm Inc.	U.S. Equity		2,680
	Quance Equities Inc.	Canadian Equity		8
	Research In Motion Ltd.	Canadian Equity		9,990
	Rogers Communications Inc.	Canadian Equity		4,842
4.840	Royal Bank of Canada	March 11, 2018	4,434	4,432
4.970	Royal Bank of Canada	June 5, 2014	295	296
5.200	Royal Bank of Canada	August 15, 2012	130	132
FR	Royal Bank of Canada	November 4, 2018	198	202
	Royal Bank of Canada	Canadian Equity		11,231
	Rutherford Properties Ltd.	Canadian Equity		1,203
	Saputo Inc.	Canadian Equity		2,573
	Schlumberger Ltd.	U.S. Equity		128
	Shaw Communications Inc.	Canadian Equity		4,071
	Sherritt International Corp.	Canadian Equity		224
4.990	Shoppers Drug Mart Corp.	June 3, 2013	1,539	1,542
	Shoppers Drug Mart Corp.	Canadian Equity		4,589
	Shoppers World	Canadian Equity		44
	Sino-Forest Corp.	Canadian Equity		1,316
	SNC-Lavalin Group Inc.	Canadian Equity		3,168
	Southfield Equities Inc.	Canadian Equity		188
5.590	Sun Life Financial	January 30, 2023	1,908	1,907
FR	Sun Life Financial	November 23, 2035	183	180
	Suncor Energy Inc.	Canadian Equity		4,111
	Sunrise Town Square	Canadian Equity		176
	TV Equities	Canadian Equity		2,806
	Talisman Energy Inc.	Canadian Equity		5,785
FR	TD Capital	December 31, 2049	3,288	3,288
	Teck Cominco Ltd.	Canadian Equity		542
5.950	Telus Corp.	April 15, 2015	3,459	3,458
	Templeton Global Equity Trust	Pooled Equity Fund		5,391
5.800	Terasen Gas	May 0, 2038	1,593	1,588
	Thermo Fisher Scientific Inc.	U.S. Equity		1,181
	Thompson Creek Metals Company Inc.	Canadian Equity		1,653
5.700	Thompson Reuters	June 15, 2015	1,629	1,617
	Thompson Reuters	Canadian Equity		2,154
	Tim Hortons Inc.	U.S. Equity		3,465

Interest Rate %	Security	Maturity Date	Par Value	Purchase Value
4.779	Toronto Dominion Bank	December 14, 2105	225	202
4.654	Toronto Dominion Bank	February 13, 2013	4,301	4,267
5.362	Toronto Dominion Bank	November 1, 2017	159	162
5.480	Toronto Dominion Bank	April 2, 2020	2,191	2,194
	Toronto Dominion Bank	Canadian Equity		9,076
	Transalta Corp	Canadian Equity		5,214
	Transcanada Corp	Canadian Equity		9,442
	Transocean Ltd	U.S. Equity		2,622
	Transocean ORD	U.S. Equity		1,921
	Tristar Oil & Gas Ltd.	Canadian Equity		5,527
	Ultra Petroleum Corp	U.S. Equity		1,984
	Unitedhealth Group Inc	U.S. Equity		210
	University Equities	Canadian Equity		122
	Valero Energy Corp	U.S. Equity		886
	Viterra Inc.	Canadian Equity		1,747
	Wal-Mart Stores, Inc.	U.S. Equity		3,309
4.350	Wells Fargo Financial Canada Corp	December 6, 2013	81	79
4.850	Wells Fargo Financial Canada Corp	February 28, 2011	3,151	3,120
	West Island Equities	Canadian Equity		34
	WestJet Airlines Ltd.	Canadian Equity		3,996
	Wireless Wav Equities Inc.	Canadian Equity		577
	WR Equities 505 3rd Street	Canadian Equity		1,674
	WR Equities Scotia	Canadian Equity		3,090
	Yamana Gold Inc.	Canadian Equity		1,109
				$ 1,249,694

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